

Letters to the Editor

BRACKEN HOUSE, CANNON STREET, LONDON, EC4P 4BY

Differences in the Courts • Govt. borrowing • 'The lump'

Sir—I was most interested to read Mr. Macbeath's letter of November 15 concerning the overturning of the National Industrial Relations Court judgment in the Mitsubishi case. Facts surrounding this case are really quite simple.

It was agreed between the Mitsubishi Bank and the National Union of Bank Employees that there should be a ballot of staff on the question of recognition. On the day of the ballot, however, there was an element of confusion as to who should have been included in the ballot. Regrettably, the ballot was conducted and revealed a vote of 14 to 13 against NUBE having sole bargaining rights. The definition of eligible staff was clear and in no way disputed then the Union would have abided by the decision of the staff. Bearing in mind, however, the dispute over the conduct of the ballot, the Union decided to pursue its application under Section 45 of the Industrial Relations Act.

Sir John Donaldson of the National Industrial Relations Court took the view that there was clearly an industrial relations issue in the Bank and that the Commission on Industrial Relations should investigate the matter and that this would be to the benefit of both the Bank and the Union.

Unfortunately, Lord Denning apparently took the view that there was already a majority of staff against recognition, despite the circumstances surrounding the ballot, there were no issues to be investigated. Given that the turnover of one in the staff at the Mitsubishi could have a significant effect upon the collective opinion of the Bank's staff, this was an extraordinary decision.

The result of the Appeals Court judgment means that there are now 48.2 per cent. of the Bank's staff who are aggrieved and feel that they have no satisfactory method of discussing salaries and conditions of employment with their employer. We are most concerned about the effect of this decision on the one hand the NIRC appears to be taking a sensible, broad industrial relations view and on the other hand the Court of Appeal is behaving in a very narrow and legalistic fashion. George Taylor, Assistant Secretary, National Union of Bank Employees, Queens House, 2, Holly Road, Twickenham, Middlesex.

Middle East trade

Sir—With reference to Mr. Lopian's letter of November 12, I am glad that he accepts as valid

my point that uncut diamonds are not a true export.

Anybody who read my letter of November 8 will have noted that I was at particular pains not to belittle the value of Britain's exports to Israel but merely to put them in proper perspective. A comparison of per capita consumption between Israel and her Arab neighbours certainly brings into focus the scale of opportunity in front of British industry, but it is rather greater than Mr. Lopian indicated. There are around 100m. Arabs, not 45m. as he suggests. To raise exports to the same per capita level represents an increase in the total exports from £363m. p.a. currently, to £2,500m. p.a., an exciting and attainable target towards which my committee will continue to stimulate British industry.

I hope Mr. Lopian will do his part to double British exports to Israel from the current £77m. to £150m. to bring them level with exports to New Zealand, a country also primarily agricultural and with the same numerical population. Lord Denman, Chairman, Committee for Middle East Trade, 33, Bury Street, St. James's, S.W.1.

Hot money and the future

Sir—On the basis of the last eight months the Government is estimated to have lost £2,716m. per annum on a six-year term through the medium of the local authorities and public boards, and is borrowing a further amount of short-term money (tempted in by high interest-rates) which, in varying degrees, can be described as "hot". The amount of "hot money" thus brought in is not known, or if known is not published, but the October figures continue to show a "hot money" deficit of £2,716m. plus £76m. less in interest on "overseas" deficit will evidently run at the rate of about £3,700m. per annum and the corresponding "hot money" figure can be calculated at £2,942m. per annum "excess of new deposits over repayments". The two together thus make a total of £5,658m. per annum borrowed overseas. Of this, £2,838m. is increasing the currency reserves (only one-tenth of the amount needed to meet any sudden withdrawal of the "hot money" that provided the increase) and the balance (£2,820m.) finances our "overseas deficit". At £2,772m. our reserves clearly cannot exceed, and indeed seem likely to be far less than, even the present "hot money" deposits, and thus can

vanish almost overnight. The "term-loans" are of course more secure, but the crisis when the term-loans fall due for repayment in foreign currencies in seven years time could be disastrous, but this the Government is evidently willing to disregard since it will not occur before the General Election.

Meanwhile, each year the interest arising on borrowings of this size will eventually add an additional £350-400m. per annum or thereabouts to our "overseas" deficit—that is, £350-400m. in the first succeeding year, £700-800m. in the second, and so on—necessitating even larger borrowing to close the gap in each successive year. The public tends not to notice that all this money has to be repaid, and in the meantime interest paid, in foreign currencies of which we lack, month by month, even sufficient to pay for our imports.

Such borrowing clearly cannot continue much longer without a collapse of overseas confidence that will bring the whole loan structure crashing to the ground, with results that will make 1932 look like a minor recession. The real emergency is the one at which Mr. Heath will not look, because it is going to force the reversal of yet another of his policies—that of Common Market membership. E. S. Scamell, East Kemble, Salisbury, Wilt.

Bank lending rates

Sir—It was stated in your front page article on November 14 that despite the new and terrifying increase in the Bank's lending rate, "the banks have been specifically asked to keep their deposit rates on sums of up to £10,000 at 9½ per cent. It may help building societies but it is reasonable to expect that the small saver should be so victimised? Surely the aim should be to encourage saving, not to penalise it. Bank lending rates will rise and so then will their already inflated profits. This seems neither socially just nor desirable. Michael Greener, 9, Romilly Park, Barry, Glamorgan.

Mortgages from abroad

Sir—It appears to me that the proposals recently formulated by the Government and the Building Societies Association will not have a very significant effect in the extension of owner occupation to people with moderate incomes. The idea of limiting lending by the maintenance of high

liquidity ratios during periods of substantial cash inflow seems sensible in order to prevent rapid property price escalation which could be caused by the release of excessive funds. The scheme for capitalising interest as several building society chiefs have already said, merely adds to the inflationary and in fact some societies have refused to operate it. I think, however, that schemes of this nature are desirable if confined to specific building projects undertaken by private authorities or private enterprise, so that first-time buyers did not use their artificial borrowing capacity to bid against each other in the open market.

My solution, however, involves a more complicated but I feel more worthwhile method of dealing not only with the problem of high mortgage interest rates, but also with the need to maintain the strength of the pound which would of course be weakened by the Government's inflationary proposals.

Mortgages granted by building societies, development corporations and local authorities could be financed by borrowing abroad in countries such as Switzerland, where interest rates are quite low. The amount borrowed by such bodies could be pressed in foreign currency so that he would in fact be bearing his own exchange risk. The expected capital appreciation of the property should safeguard the mortgagee's security if foreign exchange confidence collapsed at a time when the pound's value in relation to the foreign currency was lower than it was at the time the mortgage was granted. If a substantial number of foreign currency mortgages were granted it is conceivable that throughout the country a strong interest in the strength of the pound would then have an incentive to pursue a high level of export and productivity, coupled with a desire to curtail both imports and inflationary wage demands. Colin B. Rickard, 16, Marcus Avenue, Thorpe Bay, Essex.

Appointing a consultant

Sir—Dr. November's article (November 14) gave some helpful hints to the consultancy buyer. I hope that those who have not been put off by the charge of "between £100 and £150 an hour"—a slip of Dr. November's pen. He must mean a daily rate. Writing as a consultant, I think Dr. November has the wrong approach on some points. There is a strong "Us" and

"They" feeling about many of his "rules"—an attitude of "Bash the consultant, he's out to rip you down," for example. "Inform each bidder that several consultants are interested in the project—that will help de-rate their egos and prices." I don't think this is true at all among good management consultants. The consultancy buyer should approach selection with the attitude of seeking a partner for a few weeks or months who can trust implicitly and who can best help him solve his problem. In my view, he will find that the best consultants do not try to score points off their clients, and the client should not try to score points off the consultants.

Dr. November's remarks about "picking" are the brains of every consultant that comes your way... you may solve your problem without spending a new penny... is good tough business talk, but shows not only the wrong attitude towards consultants but a difficulty which management consultancy has in not being a fully recognised profession. Would Dr. November think of going to his solicitor to pick his brains about paying a fee? Or would he doubt if he would be able to get away with it? J. Bingham Dore, Director, Product Systems, 10 Rathbone Place, W.1.

Selection is difficult

Sir—I am concerned lest any of your readers endeavour to follow "Dr. November's" rules to help you appoint a consultant. Some of the principles which he advocates are sound but as a practical guide, the procedure he outlines could be dangerously misleading. He states that "the first step to take is to make yourself quite clear on why you want to bring in outside help. Then to help select the best consultant for your problem, make a list of possible candidates," but there is no real guidance on how to do it.

These two steps are probably the most critical steps of all. If the best candidates are, unknown, it is obvious that the best consultants cannot be appointed no matter what care is taken in the ensuing selection procedure. The most comprehensive published lists of possible candidates are in the Press publicised "Register of Management Consultants." For general management assignments, it lists over 400 consultancies, for personnel selection it names about 300, and the book is not completely comprehensive. Are

these the lists of candidates which Dr. November advises management to interview? Or used a certain number of units, in a world, where even the best computers appear to make the occasional mistake, the old Post Office electromechanical meters never ever go wrong—or so we are told.

Adjustments in the amount of time one buys for 1p coupled with a rearrangement of the zone charging scheme will make telephoning a very expensive business. An extra which will be passed on by industry and commerce in higher prices. The reported loss of £64m. by the Post Office reflects poor management. Any authority which has such a monopoly on services, enjoys virtual no competition, should never lose money to that extent. Give the Post Office's rights and monopolies to that public company and fortunes would be made. Before anyone suggests that charges would be raised again under such an arrangement I would remind them of the success of Hull's own private system.

The Post Office have a "dog in the manger" attitude to the equipment they supply to their customers. Let private industry supply and maintain customers' equipment: this will introduce competition and result in a wider choice of equipment and facilities with a resultant reduction in prices. If one feels that this is an unreasonable demand, the knowledge that the look to those countries abroad who have successfully operated this method for many years. The gas and electricity authorities in Great Britain work on this principle and their vast range of active appliances proves a point.

The Socialists attitude towards the nationalisation of certain industries must be a note of warning to those members of the electorate who would like a new government for the sake of change. A. D. Hopkins, Managing Director, Delta Telecommunications Ltd., 15, Cross Street, Manchester.

Telephone charges

Sir—The recent increase in Post Office telephone charges has been achieved with little public outcry. Perhaps this is because the new prices are no longer printed in Statutory Regulations, since Corporation in the supplement to the London Gazette.

The increase in PABX rentals, in certain cases, has meant an uplift of 33½ per cent. The alteration of installation charges has doubled and trebled many previous prices. At a time when the Government encourages the public to be vigilant in the way against inflation and unreasonable price increases, I am at a loss to understand how the Post Office have masterminded this move. The increased price of telephone calls will not become apparent until future quarterly accounts tell their own tale.

Even then your account will only inform you that you have used a certain number of units, addressed to reduce consumption of non-essential goods.

This could be achieved, in my first instance, by altering the present rate structure of V.A. which could also induce V.A. manufacturers to look for markets overseas. The second effective measure would be to allow importers a limited tit to pay for goods originating from countries outside the E.E.C. when the period allowed for range from nil to 3 months, according to a variable set of priorities. The administrative cost of this measure could be operated through the bank system.

Another aspect of the Government approach to the problem that does not seem to tally in the present situation is the fix at 94 per cent of the market rate of interest payable to depositors of sums not exceeding £10,000. I feel that this upper limit should be removed as some encouragement would be given to small savers, then allowing money from construction and channelling it to investment. At the same time the interests of building societies could be safeguarded by calling further special deposits from supply banks and ensuring that they be lent to building societies reduced rates of interest, controlled by the Government.

In view of recent reports profits made by various banks it is conceivable that they could be tempted to invest in this equitable solution. R. Partridge, Belmont Villa, 61, Marnock Road, N.22.

Cut unnecessary consumption

Sir—I confess that the latest Government measures have left me somewhat perplexed. The immediate cause of the difficulties at present being experienced by this country seems to stem from an adverse balance of payments. This, in turn, is to be construed as meaning that consumption is outstripping production. As, at present, the likelihood of increasing production significantly looks rather remote in the

short term, the only practical measures should seem to be addressed to reduce consumption of non-essential goods.

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Bargaining an the "lump"

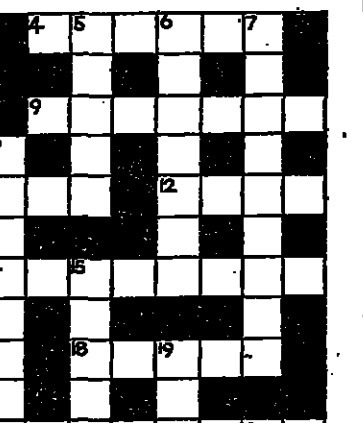
Sir—An article in your issue of the building industry (November 12) points out that "lump" sums self-employed submit that this is a very attitude for unions to adopt. The basic philosophy of trade unions is that workers by banding together into a unit get a better deal from the employer than workers could they bargained individually. The fact that the non-union "lump" earners, who are unorganised workers, are paid less, at least where the bulk industry is concerned, seems to be the God of "lump" is worshipped with blind faith that anything shows it up in a poor light is destroyed. R. S. Musgrave, 24, Gurney Avenue, Framwellgate Moor, Durham.

TV/Radio

† Indicates programme in black and white.

BBC 1
9.35 a.m. For Schools, Colleges.
12.30 p.m. Teleview. 12.55 News.
1.00 Pebble Mill at One. 1.45 Along the Trail. 2.02 For Schools, Colleges. 3.00 A Funny Thing... Ted Ray with memories and anecdotes. 3.05 Peticoat Junction. 3.30 Day and Night. 4.00 Play School. 4.25 Huckleberry Hound. 4.35 Jackanory. 4.50 Animal Magic. 5.15 John Craven's Newsround. 5.30 Screen Test.
-5.45 National News.

F.T. CROSSWORD PUZZLE No. 2,330



ACROSS
1 Plains over which the Cauchos roam (6)
4 Legal process I encountered in a London suburb (6)
5 Lay not that flattering to your soul (Hamlet) (7)
6 A bully gets to collar the Scot (7)
11 Directive before you get your marching orders (2, 3, 5)
12 Fly Boaz married her! (4)
13 Finish with something kept by those who play their part (3, 2)
14 Where the Geordie comes from (8)
16 With one foot raised the quiet worker is bound to fall (8)
18 Supports a university beauty spot (5)
20 Since sung at farewell parties (4)
21 Haggles about the object of those serving drinks (10)
22 Sanctimonious people get to the spice (7)
24 The least amount for nearly all in note (7)
25 Excessive fondness for a tin god (6)
DOWN
1 A drop of this means enlightenment (5)
2 "With an aged wife I mete and dole" (Tennyson) (7)

SOLUTION TO PUZZLE NO. 2,329
ACROSS
1. Haggles
4. Tip
5. Lay
6. Bull
11. Directive
12. Fly
13. Finish
14. Where
16. With
18. Supports
20. Since
21. Haggles
22. Sanctimonious
24. The least
25. Excessive
DOWN
1. A drop
2. "With an aged wife I mete and dole"

LONDON
9.30 a.m. Schools Programmes.
12.00 The Daily Fable. 12.05 P.m. Rainbow. 12.25 Amazingly Enough. It's Rod Hull and Eton. 12.40 First Report News. FT index. 1.00 Where Are They Now? 1.15 The Saturday Evening Post. 1.30 Marked Personal. 2.30 Good Afternoon. 3.00 About Britain. 3.25 The Saint. 4.25 The Sports Show. 4.50 Magpie.
5.25 The Doris Day Show.
5.35 News from ITN.
6.00 To-day.
6.40 Crossroads.
7.05 My Good Woman.
7.28 The Action Film: "Jack McCall Desperado", starring George Montgomery.
9.00 News at Ten.
10.30 Kataragama.
11.30 Armchair 30.
12.00 Armchair 30.
All ITV Regions as London except at the following times—

ANGLIA
2.30 a.m. About Women. 12.25 Danger Man. 5.20 The Partners. 6.00 About Anglia. 7.00 Cartoon. 7.05 Mystery Movie. 8.00. 8.30 My Good Woman. 12.00 Reflection.
ATV MIDLANDS
12.00 Good Game. 2.30 p.m. Women Today. 3.30 The Whiteoaks of Jamaica. 5.25 Dream of Jeannie. 6.00 ATV To-day. 6.30. 7.30. 7.35 Mystery Movie. 8.00. 8.30 The Adventurer. 12.25 a.m. George Canty.
BORDER
2.30 p.m. Good Living. 3.30 Randall and Hopkirk (Deceased). 5.20 The Partners. 6.00. 6.30. 7.00. 7.30. 7.35 Mystery Movie. 8.00. 8.30 My Good Woman. 12.00 Reflection.
CHANNEL
12.00 News. 12.05. 12.10. 12.15. 12.20. 12.25. 12.30. 12.35. 12.40. 12.45. 12.50. 12.55. 1.00. 1.05. 1.10. 1.15. 1.20. 1.25. 1.30. 1.35. 1.40. 1.45. 1.50. 1.55. 2.00. 2.05. 2.10. 2.15. 2.20. 2.25. 2.30. 2.35. 2.40. 2.45. 2.50. 2.55. 3.00. 3.05. 3.10. 3.15. 3.20. 3.25. 3.30. 3.35. 3.40. 3.45. 3.50. 3.55. 4.00. 4.05. 4.10. 4.15. 4.20. 4.25. 4.30. 4.35. 4.40. 4.45. 4.50. 4.55. 5.00. 5.05. 5.10. 5.15. 5.20. 5.25. 5.30. 5.35. 5.40. 5.45. 5.50. 5.55. 6.00. 6.05. 6.10. 6.15. 6.20. 6.25. 6.30. 6.35. 6.40. 6.45. 6.50. 6.55. 7.00. 7.05. 7.10. 7.15. 7.20. 7.25. 7.30. 7.35. 7.40. 7.45. 7.50. 7.55. 8.00. 8.05. 8.10. 8.15. 8.20. 8.25. 8.30. 8.35. 8.40. 8.45. 8.50. 8.55. 9.00. 9.05. 9.10. 9.15. 9.20. 9.25. 9.30. 9.35. 9.40. 9.45. 9.50. 9.55. 10.00. 10.05. 10.10. 10.15. 10.20. 10.25. 10.30. 10.35. 10.40. 10.45. 10.50. 10.55. 11.00. 11.05. 11.10. 11.15. 11.20. 11.25. 11.30. 11.35. 11.40. 11.45. 11.50. 11.55. 12.00. 12.05. 12.10. 12.15. 12.20. 12.25. 12.30. 12.35. 12.40. 12.45. 12.50. 12.55. 1.00. 1.05. 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AMERICAN NEWS

Vesco said to have Argentine escape route

GUY DE JONQUIERES

NEW YORK, Nov. 19.

JOHN VESCO, the elusive Jersey financier, has contributed \$200,000 to President Nixon's re-election campaign in case his fund last year. However, for technical reasons the only way out of the country for which his extradition is sought is a secondary one—that he defrauded his own company, International Controls, of \$50,000.

Mr. Vesco fled the U.S. about nine months ago and since then he has shuttled between the Bahamas and Costa Rica. His passport has been cancelled, but he has acquired a Costa Rican one (now being held by the Bahamian police) and has defeated U.S. attempts to have him extradited from Costa Rica.

According to the Journal, Mr. Vesco secured his Argentinian fall-back arrangement on a trip to Buenos Aires in his Boeing jet early this month. He has a deep trouble with authorities which have d him of looting \$224m. he crippled investors Over- mutual fund wards on President Peron's personal orders.

Mr. Vesco was accompanied by

U.S. ENERGY

One snag for Alaska oil

BY ADRIAN DICKS IN WASHINGTON AND GUY DE JONQUIERES IN NEW YORK

THE PASSING of the Bill authorising construction of the Trans-Alaska Pipeline to tap the Alaskan oil bonanza displayed a greater sense of common purpose between the White House and the Congress than is usual these days—as well it might at a time of gathering energy problems.

But in spite of the lack of serious political difference over the vast pipeline project at the close of the particularly arduous legislative chapter of its history, the way ahead is not free of hazards. Some lie in the Alaskan wilderness itself, and the unprecedented engineering tasks involved in building the four-foot diameter pipeline across 789 miles of the most difficult terrain to be found anywhere. Other problems could arise in the corporate Boardrooms of the seven oil companies that will build the line.

For the time being the more familiar ground of Washington still presents potential dangers. For a start, there are the terms of the Bill itself.

The intention of the federal government and its supporters in Congress was to preclude once and for all the further recourse to the courts of the loose coalition of environmentalist groups which has been so successful in finding loopholes in the law up to now.

The new act states bluntly that the courts have no further power to review the pipeline except on constitutional grounds, or on the grounds that the Government may exceed the wide powers which the act specifically grants it.

The immediate possibility that appears to be open to the environmentalists is to challenge the act's main provision, which is to authorise the issuing of permits without further reference to the national environmental policy act of 1969. They could argue that under the separation of powers doctrine, it is not for congress but for

\$12m. debt to be settled

Two of the environmentalist groups, the Wilderness Society and Friends of the Earth, have reserved their position but have not ruled out further litigation. They may come to the conclusion that while concern for the environment was a powerful issue for the American public last year and the year before, this year's issue is the oil shortage.

Even with the environmentalists out of the picture, there will be a 60-day period of delay before any licences can go forward unchanged.

And before they do so the Interior Secretary, Mr. Rogers Morton, has made clear he will insist on the Alaskan Consortium settling a debt of \$12m. which he claims the oil companies have run up as a result of the Department's huge environmental study into the pipeline's impact on the Alaskan wilderness. Negotiations on this alone could take as much as six weeks, according to Mr. Morton.

Some of the hundreds of licences needed—no one knows exactly how many there are, though some estimates put the number at well over a thousand

—will come from other federal agencies, such as the U.S. Army Corps of Engineers, the Coast Guard and the Environmental Protection Agency. But others will have to be issued by the State of Alaska, and there have been signs that it may drag its feet unless the oil companies either deal it in as a partner in the pipeline, or agree to pay more in taxes.

And not least, there is the little matter of the Federal Trade Commission's interest in the oil industry, already expressed in a series of administrative and court proceedings against alleged anti-trust violations. Ironically, the Alaska Pipeline Act has been passed with two amendments that substantially increase the FTC's independence and its powers to go to court without asking permission from the White House—amendments the Administration failed to get dropped.

Among the points it has been suggested the commission might look into is the fact that the pipeline will be controlled by companies which also own the largest oil deposits. It may also take an interest in pricing arrangements for the North Slope crude.

Even after the last legal hurdle is cleared, it will not be all easy going for the Alyeska Consortium and its member companies. A major problem dogging the pipeline is the galloping cost of construction. Since the project was first announced in 1969, the estimated total cost has more than quadrupled from \$900m. to at least \$4,000m. Of this amount, 90 per cent. has yet to be spent—and financed.

Understandably, this staggering inflation is causing some of the Alyeska members with smaller North Slope interests to look anew at the hard economics of pipeline ownership. Since the rate of return on the line itself is limited to 7 per cent., it is

hardly a money-spinner in itself. Indeed, it could turn out to be something of a liability to companies like Atlantic Richfield and Exxon, which own respectively 28 and 35.5 per cent. of the pipeline, but whose combined share of North Slope oil amounts to only 40 per cent. of known reserves.

Whether Standard Oil of Ohio, British Petroleum's sister company, which owns 28 per cent. of the Alyeska Consortium, but 54 per cent. of the oil, will come under serious pressure to raise its stake in the pipeline, remains to be seen. But there have been signs of friction among the Alyeska partners. It is reliably reported that when the Alyeska management asked the companies for \$28m. a few weeks ago to finance the first stage of construction, they came up with a mere \$5m.

The mandatory safeguards imposed for environmental reasons make construction much more of an engineering feat. Long sections will have to be buried deep in the Arctic soil—twice as deep as first thought—while the elevated sections will have to be shielded with expensive insulation material to prevent the oil from freezing in sub-zero temperatures. In some places, rock will have to be blasted away with high explosives. Some isolated construction camps will have to be replenished by air.

Whether this capacity will be enough to carry all the oil available from the Alaskan fields in the future is open to question. Some people in the industry are forecasting that it may not be long before a second line is needed. At present, the North Slope is known to contain 9,600m. barrels of recoverable reserves, or about one-quarter of all known U.S. oil resources. Extremely high costs and the protracted deadlock over the pipeline have discouraged exploration beyond the known fields. But there is a good chance that a lot more oil remains to be discovered.

The eventual cost of the oil from Alaska will be high—the industry is now talking in terms of at least six dollars per barrel or 50 per cent. more than oil from Texas or Louisiana. While this would have been almost unthinkable expensive as little as two years ago it is no more costly to-day than most imported crude. And even if the Arab boycott is lifted within the next few months, nobody sees any likelihood of prices falling back again.

Nixon urged to 'come clean' as he assesses image

ADRIAN DICKS

WASHINGTON, Nov. 19.

A solid week of meetings, appearances intended to re-visit badly damaged public image. President Nixon was ag to-day at his Key ne holiday house assess- e results so far of his site counter-offensive. sions have been mixed s and critics of the Presi- dence are willing to give edit for a tough perform- before the meeting of ing editors at Orlando, t. on Saturday night.

White House Press secre- tary Ron Ziegler, has been -ut that the response fro- ublic to the televised -ance has been outturning "negative" reactions which in after Mr. Nixon the Special Prosecutor, richard Cox. He added uch of the indignation ex- on that occasion had -manufactured." in GM plants across the country. The two sides announced that they were withholding the terms of the agreement pending a meeting in Detroit of local union leaders early next week. However, it is considered likely that the contract which, under union rules, must be ratified by both skilled and unskilled workers before implementation, will turn out to be broadly similar to the contracts already negotiated be-

General Motors and UAW confirm new contract

BY JAY PALMER

NEW YORK, Nov. 19.

GENERAL MOTORS and the United Auto Workers' Union this morning confirmed that they had reached agreement over a new three-year contract. News of the new agreement came approximately two hours before the UAW had threatened to start a series of "mini-strikes" in GM plants across the country. The two sides announced that they were withholding the terms of the agreement pending a meeting in Detroit of local union leaders early next week. However, it is considered likely that the contract which, under union rules, must be ratified by both skilled and unskilled workers before implementation, will turn out to be broadly similar to the contracts already negotiated be-

Trinidad close to choice of PM

DAVID RENWICK

TRINIDAD, Nov. 19.

HUDSON-PHILLIPS, successor were counted and it is believed that he may not be altogether happy at the overwhelming support for Mr. Hudson-Phillips. His own choice for the succession is understood to be Mr. Mohammed who, Dr. Williams believes, would be the best choice because it would at last give Trinidad and Tobago's East Indian community the feeling that one of their own can be elected PM of a multi-racial Caribbean society.

Mr. Hudson-Phillips had earlier incurred Dr. Williams' displeasure by making what many interpreted to be a bid for party power by declaring his intention to challenge the current chairman, Senator Francis Prevatt who is a staunch Williams supporter.

But Hudson-Phillips withdrew his claim for the chairmanship in the expectation, it is now believed, of obtaining higher office—which he now seems set to do.



When you know Hine, you know Cognac.



The Connoisseurs' Cognac

In Lagos, you could lose a packet on one of these products. Which one?



The packet. For lots of reasons you've probably guessed. But for one important reason you might not have known. In many parts of Nigeria, cans have a double life; when they're empty, they're re-sold and re-used for a host of things from water jugs to table lamps. And large petrol cans are often beaten flat and used for roofing. This is the sort of information that the locals know and insiders, like Standard and Chartered, who are also there, have learnt through their

daily life in the business community. These are the small things, which might never come out in your research; but which could lead to expensive mistakes. These are the details which Standard and Chartered make sure you get, along with the hard facts. Standard and Chartered are in a unique position to help you expand or break into markets in Africa and all over the East. As a leading British bank with over 1500 offices in 55 countries, we

can report daily on personalities, opportunities and situations, in a doubly well-informed way. We know the answers to your questions and we know why you've asked them. And you don't have to be a customer to use our marketing services, just contact: Standard and Chartered Banking Group Limited, Head Office: 10 Clements Lane, London EC4N 7AB. Telephone: 01-623 7500 ext. 453.

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EUROPEAN NEWS

Hundreds rounded up in Athens

BY OUR OWN CORRESPONDENT

HUNDREDS of people were rounded up by security police in Athens to-day and four workers were sentenced by a court-martial to four years' imprisonment each in efforts by the military-supported regime to quell student and civilian unrest.

Former Premier Panayotis Kanellopoulos called for a government of national unity to restore peace and order and lead the country back to democratic rule after last week's bloody incidents. Mr. Kanellopoulos, leader of the National Radical Union Party, issued the call in a written statement on behalf of all politicians opposing the regime.

Acquitted

The four workers, aged between 20 and 27, were arrested yesterday under martial law provisions. They were accused of standing in the street and inciting passers-by to stage a demonstration. A fifth worker who appeared before the military tribunal on similar charges was acquitted.

A government spokesman said to-day that of 910 people—780

men and 150 women—rounded up during the week-end incidents which cost the lives of nine people, only 204 had been detained for further investigation. Police in groups of three to-day stood on street corners with walkie-talkies and made identity checks on all youths. Scores were taken away in police vans. They can be detained for 48 hours without being considered under arrest.

Security police also arrested Mr. Pavlos Nefeloudis and Mrs. Eleni Bena, former members of Parliament for the pro-Communist United Democratic Left (EDA) Party. Members of their families said a third MP of the same party, Mr. Leonidas Kirkos, was reported to have gone into hiding. Among others reportedly arrested were retired Colonel Nicholas Papazicolaou and retired Captain Alexandros Zarkadas, both of whom were released from prison last August under a general amnesty for political prisoners. Professor Constantinos Konofagos, Dean of Athens Polytechnic, has been detained by security police since yesterday, his brother-in-law said to-day. Prof. Konofagos had presided

FLIGHTS BACK TO NORMAL

PACKAGE TOUR flights from Britain to Athens—postponed during the week-end because of rioting in the city—are expected to be back to normal to-day.

Athens airport was reopened last night. Some flights may be delayed because of the backlog, however. And holiday-makers who have booked with Thomson were not flying out to-day. The company had cancelled its two planned flights said an Association of British Travel Agents spokesman.

The first flight back to Britain since Athens airport reopened—an Olympic Airlines jet—landed at Heathrow last night. Captain Alexandros Zarkadas, both of whom were released from prison last August under a general amnesty for political prisoners. Professor Constantinos Konofagos, Dean of Athens Polytechnic, has been detained by security police since yesterday, his brother-in-law said to-day. Prof. Konofagos had presided

to-day it was exactly because of this misjudgment of the students' real intentions and the subsequent leniency by police which led to the intervention of the army to dislodge the students at dawn on Saturday. Tanks and steel helmeted troops still guarded key positions in Athens to-day and helicopters continued hovering over the city keeping a watch for any gathering crowd. Minor clashes between youths and police were reported in some suburbs.

Stay closed

A Government spokesman said to-day the universities would remain closed for at least 20 days. He said martial law would remain in force for one month and if law and order was not completely restored by then it could be extended for another 60 days at the responsibility of the Government. Schoolchildren who went to class to-day were turned back because of the small turnout and the absence of teachers. The population continued buying large quantities of foodstuffs despite a ban under martial law on food hoarding by storekeepers.

ATHENS, Nov. 19.

French euphoria at summit success

By Robert Maunier

PARIS, Nov. 19. THE TALKS last week-end at Chequers between Mr. Heath and President Pompidou have been hailed here as a great success and the Paris paper "Le Figaro" described them in a euphoric headline with the words: "the new entente cordiale is in better shape than ever."

President Pompidou himself said that his talks with the Prime Minister had been "very fruitful" and had demonstrated that the attitudes of the two Governments towards many issues were very similar. He also stressed that they had shown "great comprehension" for each other's points of view and had left him optimistic about future developments.

It is clear that what has pleased the French most is that President Pompidou and Mr. Heath now see eye-to-eye on the need to forge ahead with European political co-operation and even on the initial procedure to be followed towards achieving a European Union, such as twice-yearly Euro-Cabinet meetings to review policies in various fields.

First time

The revelation by official spokesmen from both sides that defence co-operation had been discussed is also seen here as a sign that things are now at last moving in the right direction, since this is the first time that a public admission of Anglo-French talks on this subject has been made.

The fact that President Pompidou did not press Mr. Heath on an early return of sterling to a fixed parity and was notably conciliatory on the problem of the Community's Regional Fund, does not, of course, mean that Anglo-French differences on these subjects have been finally solved.

The French still consider the proper functioning of the Community's currency "snake" to be an essential condition of moving on to the second stage of economic and monetary union, but they recognise that Britain's current economic difficulties do not, for the moment, permit the re-pegging of the pound.

On regional policy, too, the placatory noises made by French official spokesmen hide a number of fairly basic disagreements.

Industry backing for compromise uranium project

BY RUPERT CORNWELL

PARIS, Nov. 19.

SHORTLY BEFORE the Common Market is due to pronounce on the politically thorny issue of a uranium enrichment plant for the Community, the important European Electrical Producers Association has called for both rival processes to be developed side by side.

The decision, adopted at a meeting of the Association here, offers a compromise between the gaseous diffusion method, sponsored by the French-led Eurodif consortium, and the ultra-centrifugal process backed by the Anglo-German-Dutch Urenco group. It also has the advantage of being closely in line with the possible solution put forward by the Brussels Commission itself last week.

The gist of the producers' argument is that even if both methods go ahead, Europe will still have to import its enriched uranium from abroad by the mid-1980s—perhaps as much as 30 per cent. if foreign clients such as Japan are to be supplied, as is suggested.

According to estimates produced here, the eight member countries of the Association—West Germany, Austria, Belgium, Spain, France, Italy, Holland and Switzerland, will require some 20m. UTe (isotopic units) by 1985.

Shortfall

However the overall capacity of the two plants will be only 18m. UTe by that date, and the shortfall will in fact be even greater since Britain (a member of Urenco) and Sweden (represented in Eurodif) are not part of the producers' Association.

In a communiqué issued after their meeting here, the producers stated that demand

would be sufficient for both groups to go forward with their respective plans. Moreover, it warned, "an increasing reliance on non-European sources of enrichment will still be necessary."

Strong support for the gaseous diffusion technique is expected to emerge from an inter-ministerial meeting here on Thursday, not least since the French Government has made abundantly clear that the Eurodif technique will be a significant bargaining counter in the formation of any European energy policy.

Anxious

The countries involved in both processes are anxious not to commit themselves to going ahead without firm orders for the product. This will have to await at least a further meeting of the producers here on December 1. But a final idea of the outcome is unlikely until after the Community summit on December 14 and 15, at which the uranium enrichment issue is almost certain to have a high place on the agenda.

To-day also saw what could prove a significant strengthening of France's operations in the nuclear field, with the signature of a potentially far-reaching protocol between Cie Française des Pétroles and Pechiney-Ugine-Kuhlmann.

The two groups have pledged themselves to a closer co-operation on nuclear energy, and in particular the market for gas turbines, that is enriched uranium. The agreement also specifically foresees tighter collaboration with the official nuclear energy body, the Commissariat à l'Energie Atomique (CEA).

Oil main issue for EEC ministers

BY LORELIES OLSLAGER

BRUSSELS, Nov. 19.

FOREIGN MINISTERS of the Nine Common Market countries are expected to examine whether they need a single spokesman in their further dealings with

Arab countries when they meet in Copenhagen to-morrow. Informed sources said here to-day. Relations with the oil-producing countries in the light of the Arab boycott of the Netherlands, which is imposing severe strains on Community solidarity at the moment, will be among the main items on the Ministers' agenda.

The sources said long and arduous negotiations would be required before the problems of European oil supplies could be settled. One of the problems the Nine were facing was to make clear to the Arabs that the EEC has to be considered as one and that the Dutch had also subscribed to the statement on the Middle East of a fortnight ago. The implication is that Arab oil producers should not single out the Netherlands for retaliation.

Meanwhile, the EEC authorities here are officially pretending that there is no need to act on Dutch threats about cutting off exports of natural gas to the rest of the Community if the other eight countries do not declare their solidarity with the Netherlands over oil supplies.

The European Commission said it had not been officially informed of the various Dutch statements and sources in at least some of the member States claim that the less said about Community solidarity at the moment the better. If the need arose, the other member States could quietly try to help the Netherlands, the sources implied.

M. Andre Aeyens, Secretary General of the Belgium Economic Ministry, did declare, however, that his country would practice solidarity with the Netherlands and that he saw no reason why Dutch authorities should cut off supplies of natural gas.

Meanwhile, M. Henri Simonet, the EEC Commissioner responsible for energy, to-day informed the permanent representative of member States here of the Commission's proposal for the development of a European uranium enrichment capacity, involving parallel but co-ordinated development of the French gas diffusion method and the ultra-centrifuge procedure backed by Britain, Germany and the Netherlands. The Commission admits that this could involve surplus production of enriched uranium until 1985, and proposes that the Community negotiate acceptable surpluses. This could be done at a cost of 200m. units of account (one unit of account equals the old dollar), the Commission estimates. This would be much cheaper than previous estimates made by the German Government.

The Danish Government to-day announced a ban on Sunday driving from the coming week-end, a 25 per cent. cut in deliveries of oil for heating purposes, and bans on outdoor display lighting and shop window display lighting after business hours. The Sunday driving ban will not apply on Christmas Eve.

The Government has already imposed a general speed limit of 50 m.p.h. on all roads and 26 m.p.h. in built-up areas.

W. Germany takes up Dutch ban

By Malcolm Rutherford

BONN, Nov. 19.

WEST Germany is seeking to raise the ban on Arab oil deliveries to the Netherlands to as far as it effects oil destined for the German market. The efforts are being made through diplomatic channels, but at press conference to-day Dr. Hans Friderichs, the Economic Minister, gave no further details. Dr. Friderichs said that the extent of the ban on deliveries to Holland could not have been foreseen, and it was for the reason that the German Government had acted only gradually in introducing fuel-saving measures. About 22 per cent. of German oil and about half its petroleum products come through Rotterdam.

Asked about showing solidarity with the Dutch, Dr. Friderichs said the matter had been discussed by Common Market ministers two weeks ago, and failure to agree could not be blamed on the Germans. This another sign that the Bonn Government is less than happy with the Middle East resolution which the ministers eventually achieved.

Dr. Friderichs also announced the details of the restrictions on petrol consumption which will go into effect from next Sunday. The ban on driving will be limited to 100 kilometres an hour on the autobahns and 80 km. on other roads. On Federal highways, the limit will be 100 km. on the autobahns and 80 km. on other roads.

The Economics Ministry estimates that this Sunday's ban will save about 7 per cent. normal weekly consumption. Lower speed limit should save about a further 6 per cent. ban on Saturday driving will save another 7 per cent. but at present this is reckoned to be out of the question in pre-Christmas period.

Dr. Friderichs was more cautious than Chancellor Brandt a week ago about the possibility of further measures to come. When the Chancellor told his Press conference on Friday that petrol rationing in January would be "quite improbable," the Economics Minister only said that it was impossible to see so far ahead. He also said that Christmas and New Year drive

The Cabinet has still to assess the possible effects of the one shortage on their economy as a whole, but there are already hints about the danger of rising unemployment, not least in the car industry. The Cabinet will discuss the situation later this week with the head of the latest report of the independent Economic Advisory Council. The report has been revised to take account of energy situation. Publication due on Thursday.

'Priority for Norway report

By Hilary Barnes

COPENHAGEN, Nov. 19.

OSLO newspapers to-day quoted a "very well informed source" as saying Norway would be treated by Arab countries as a priority country for oil supplies in with Britain and France. The report said that this was because the Arabs were satisfied with Norway's policies towards the Middle East.

Norway is not a member of the EEC and is therefore not in danger of feeling the full effect of the Arab oil boycott, as Sweden and Finland, which also outside the EEC. So neither Norway, Sweden nor Finland have introduced restrictions on oil consumption although there have been appeals by public to save energy.

In Sweden the Minister of Commerce, Kjeld-Olof Feldt, gave a Press conference to-day at which he will discuss the oil situation. He said the only plans which have been aired are for a large campaign of voluntary saving by the public. This would include reducing room temperatures, extinguishing shop window display lighting.

Sweden is slightly better than most European countries in its crude oil from the Middle East with the balance coming from Africa, Latin America and the East. But about one-third of its imported oil, which makes up about 60 per cent of total consumption, comes from Europe.

Finland imports some oil from the Soviet Union, but it is still heavily dependent on the Middle East and Europe is likely to remain so. Minister of Foreign Trade Jermu Uusiluoma said yesterday that leaving for trade talks in Moscow that oil would be one of the central issues in his talks. He said the chances of obtaining Soviet supplies were small.

Norway is in the special position of being an oil-producing country, but at the moment it goes nowhere near meeting domestic needs. With production scheduled to rise to 25m. tons a year, Norway will be producing 2½ times as much as it consumes itself.

Icelanders cut wires as British trawler ties-up

REYKJAVIK, Nov. 19.

THE FIRST British trawler to enter an Icelandic harbour following the settlement of the fisheries dispute came to Isafjordur on the western peninsula last night. This was the trawler St. Leger from Hull which twice had its trawl wires cut early this year and once was involved in a ramming incident with the Icelandic coast guard boat Thor.

A large crowd gathered at the pier as the trawler came into harbour and twice its pier wires were cut before police intervened. Isafjordur is the largest town on the western peninsula, where protests against the terms of the fisheries settlement have been most pronounced.

The Ministry of Justice reported to-day that it has undertaken a massive investigation of all incidents during the fisheries dispute and is now deciding what charges it intends to prefer against ships that allegedly violated the fisheries limit before the settlement.

A Ministry spokesman, Mr. Baldur Moller, made it clear that the Icelandic Government

would press charges and had not agreed to drop them in connection with the settlement.

Key vote for CDU

By Jonathan Carr

HAMBURG, Nov. 19. WEST GERMANY'S opposition Christian Democratic Union (CDU) to-day moved towards a key vote on which depends much of the credibility of the party leadership. Nearly 700 delegates at the CDU Congress here have begun debating the question of Mitbestimmung—the participation of workers in the supervisory boards of companies.

The party's national executive committee has proposed one model while the party's social committee, on the left of the CDU, has advanced another—slightly more favourable to workers' interests.

Intensive efforts between the two sides to find a compromise went on here until the early morning hours, but a gap still exists.

Baltic pact progress

BY LANCE KEYWORD

HELSINKI, Nov. 19.

A CONFERENCE at Ministerial level will be held in Helsinki on March 18, 1974, for final consideration of the seven-nation convention on the protection of the marine environment of the Baltic Sea area. This was announced by the working group of Government representatives which has just concluded a two-week meeting here.

The leader of the Finnish delegation said that the meeting had been "amazingly successful." The draft convention completed by the working group will now be submitted to the seven Governments for consideration. The text will then be finalised by legal experts before the Ministerial meeting. The seven nations are Finland, Sweden, Denmark, both Germanys, Poland, and the Soviet Union.

The draft foresees a number of measures that will eventually affect all shipping using the semi-enclosed Baltic Sea, which has been designated a "special area" by the Inter-Governmental Maritime Consultative Organisation (Imco).

The working group decided that the terms of the draft convention should be kept confidential until the seven Governments have studied it. However,

GERMAN HAULAGE QUOTAS INCREASED

British road hauliers who arrange back loads for West German operators will qualify for two German haulage permits for each load given from January 1. This results from a recent meeting of U.K. and West German officials. Under the co-operation quota, only one permit per load is allowed at present.

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THE MIDDLE EAST

Secret negotiations on Saudi-Soviet links

BY IHSAN HIJAZI

BEIRUT, Nov. 18.

SERIOUS and secret efforts are underway for the establishment of diplomatic relations between Saudi Arabia and the Soviet Union and King Feisal has accepted "in principle" an invitation to visit Moscow.

This was reported to-day by the leading daily newspaper Al Nahar here. In its lead story, the paper quoted informed diplomatic sources as saying that an Arab party close to both Saudi Arabia and the Soviet Union is undertaking the efforts, and that Palestinian commando leader Yasser Arafat is playing a role as well.

The efforts were said to have been encouraged by what has been described as King Feisal's praise of Soviet support to the Arabs in last month's Middle East war, and the monarch's cable to the Soviet leaders earlier this month on the occasion of the 58th anniversary of the Bolshevik revolution.

The news could not be confirmed by Saudi sources here, but East European quarters reported that Moscow and other Communist capitals have for years been trying to establish normal relations with Saudi Arabia without success.

The East European sources confirmed that Arab Government officials close to Moscow have recently advised the Soviet Government to capitalise on King Feisal's present mood to persuade him to set up normal relations with the Communist bloc.

Whether the Soviets have, in fact, taken the initiative the sources did not know.

Observers said that if Al Nahar's story about Feisal accepting an invitation to go to Moscow is accurate, the development constitutes a major switch in Saudi policy.

Although the Soviet Union recognised the Saudi Kingdom as early as 1926, the Saudi kings have refused to establish diplomatic relations with Moscow, considering the Communist regime there as atheist.

King Feisal, in particular, has been conducting what amounts to a crusade against Communism. In many of his statements he always lumped Communism with Zionism as the main enemy of the Arabs and Moslems.

In his policy of promoting pan-Islamism and Arab conservatism, King Feisal had repeatedly set out to check the Soviet influence in the Arab world in general and in the Arabian peninsula in particular.

Moscow has been suspicious that the Saudi monarch had played a role in persuading President Sadat last year to remove Soviet military advisers from Egypt.

General Ahmed Ismail, Egyptian Minister of War, admitted in an interview yesterday with Al Ahram chief editor Dr. Mohamed Hassanain Helikal that he first knew of the October 15 Israeli breakthrough on the west bank of the canal when he returned to his headquarters after attending President Sadat's October 16 speech to the People's Assembly.

In this the President offered to make peace if Israel withdrew immediately to the 1967 borders and General Ismail's admission confirmed earlier reports that President Sadat was not aware of the west bank position when he spoke.

General Ismail says the local commander believed the amphibious tanks that had sneaked across the canal could be wiped out quickly and sent a battalion of commandos to deal with them.

There was also "an interruption in information" as a result of "changes in the responsibilities of some commands," General Ismail says. "Besides the enemy managed to conceal his tanks in a fruit orchard area in the Gap."

Ismail's explanation also substantiates reports circulating here that the Egyptian command was badly informed of the developing Israeli threat for the first two or more days of the breakthrough.

The general said he was unhappy about Egyptian military communiqués at the time which did not "abide by the rule of saying nothing but the truth."

KHEDAFI MAY GO TO PARIS

CAIRO, Nov. 19.

Libyan President Muammar Khedafi will go on to Paris immediately after his current visit to Yugoslavia, informed sources said here to-day.

He is expected to hold a major Press conference in the French capital just before the opening in Algiers of the Arab Heads-of-State summit, which he has refused to attend.

The French Embassy here said it had no information on Khedafi's visit but local sources said the Libyan leader had already indicated his wish to the French authorities.

Sources here said Khedafi's trip was intended to divert attention from the Arab summit, to emphasise his disagreement with President Anwar Sadat and the more conservative Arab leaders and to revive an old plan for co-operation between the Mediterranean States.

But "what we said most of the time reflected what we saw. I must admit that our view of the situation was hazy for several reasons."

The War Minister had no doubts that Egypt pulled off a considerable victory in the war "and I consider this to be a twofold victory because I managed to come out of the battle with my forces safe and sound after the overt American intervention."

Medium and small Powers cannot fight without limit because of the tremendous consumption of weapons brought about in modern war by the introduction of missiles, Ismail says.

"In the October War, 2,500 tanks were destroyed on all sides in less than 30 days. You will realise the significance of that figure when you learn that France's production is 300 tanks a year," the War Minister adds.

He quotes American estimates of Israeli losses, 3,000 killed ("Judging by what I witnessed this is less than half the true figure"), 30,000 wounded ("This figure is close to the truth"), 970 tanks and 150 aircraft ("Perhaps the U.S. sources counted only losses of American-built aircraft").

On Egypt's losses General Ismail says they were less than in the 1967 war. Israel had captured no more than 60 or 70 Egyptian soldiers by October 16, mostly commandos dropped in the rear.

Checkpoint talks on disengaging forces

By William Dullforce

CAIRO, Nov. 19.

Egyptian and Israeli officials discussed the key disengagement issue "informally" for near two hours to-day at the UN 11 checkpoint on the Cairo-Suez road.

They decided to hold plenary meetings on Thursday with General Ensis Silbey, UN emergency force command president.

Information on to-day's talks was contradictory. General Aharon Yariv, the Israeli leader, was quoted as saying after the meeting "a genuine agreement of forces will be very difficult."

But UN sources were cautiously optimistic. So far, two sides had done little more than state their "maximum positions" and the real bargain was yet to come, the sources said.

Diplomatic sources say Egyptians and Israelis have agreed to leapfrog over questions of Israeli withdrawal. October 22 lines and to tacitly disengage in a wider set but this was partially denied by a senior Egyptian source.

Egypt has not backed down from its stand that Point A of the ceasefire agreement, set for talks on the return of the October 22 lines, must be implemented, the Egyptian sources said, but he acknowledged that during "informal talks between Major-General Abdel-Ghani Gamaasi and Gen. Yariv a wider disengagement had been discussed."

UN sources say the main positions presented here for the Israeli side were that both sides should return their pre-October war positions and, for the Egyptians, that Israel withdraw to the El-Eina line in Sinai, allowing a 2 km buffer zone to be left between them and the Egyptian forces holding their war positions on the East Bank.

Hardening There is a perceptible hardening in the Egyptian attitude peace moves, due partly to the feeling that Egypt made enough concessions it now is the turn of the Israelis to make concessions.

But the Egyptian wish to see its Arab partners before November 26 Algiers summit that it is not going soft is a factor.

L. Daniel adds from Tel Aviv that the question of the El-Mandeb blockade and new positions to be taken by the Egyptian and Israeli will be discussed to-morrow.

Between January 28 and day to-day, Vietnamese and Vietnamese units have lost killed. The Government has lost 10,786 killed, wounded and 3,332 missing command spokesman said.

In addition, the government side has reported 1,532 killed, 5,175 wounded and kidnapped.

The South Vietnamese spokesman said there were 105 attacks in the 30 hours to 1 about 40 more than the average for the corresponding period of the past two weeks.

No real battles were reported on the 14 in Quang Province, 120 miles north Saigon, where at least two elements from both the North and Southern armies are each other, two Government troops were killed at wounded yesterday in attacks.

Reuter

Court order: tribesmen to end flogging

The Windhoek, Namibia Supreme Court ordered two tribal author Ovambo to stop the flogging of political offenders.

Mr. Justice G. Hoexter, in an application by the Bishop of Damaraland, Richard Wood, which the Supreme Court to floggings alleged to have 30 beatings with the palm tree.

The application also called for a halt to any form of punishment against members of the South African People's Organisation (SWAPO) and the Den Cooperation Development (DEMKOP) - two organs critical of the South Government's policy of African homelands in disputed territory - Reuter.

OVERSEAS NEWS

Air attack at Phnom Penh

PHNOM PENH, Nov. 19.

A CAMBODIAN Air Force aircraft bombed the Presidential Palace in Phnom Penh this afternoon. President Lon Nol was holding a Cabinet meeting in the palace but it was reported that he was not injured.

The propeller-driven T-28 dropped two bombs on the palace at 9.15 a.m. GMT. Smoke was seen billowing out of the palace as big crowds rushed to the scene.

At least three people were later reported to have been killed. Official sources said the closest 250-pound bomb fell less than 100 yards from President Lon Nol, who was in his villa in the palace grounds at the time of the raid.

It was the second bombing attack on the Presidential Palace this year. This spring, a nephew of ousted Cambodian Chief of State Prince Norodom Sihanouk made a similar attack on the palace, missing the main building, but hitting a barracks on the ground, killing several soldiers and members of their families. The nephew, Captain So Potra, escaped in his T-28 and landed in Communist-controlled territory from which he made his way to Peking to join Prince Sihanouk.

Africa to back Arab cause

ADDIS ABABA, Nov. 19.

FOREIGN MINISTERS from 38 members states of the Organisation of African Unity (OAU) may agree on a show of African solidarity in support of the Arab cause in the Middle East in return for Arab support to southern African independence movements, diplomatic sources said to-day.

A two-day meeting of the OAU Ministers began with an opening address by Ethiopian Emperor Haile Selassie.

The meeting, called by Algeria and supported by Tanzania, Zaïre and Zambia over the objections of Egypt, was to define Africa's position in the Middle East conflict.

The sources said the meeting also was expected to discuss an extension of the Arab oil boycott against South Africa, Rhodesia and the Portuguese territories of Angola and Mozambique.

They said the Black African states were likely to solicit more active Arab support for the so-called liberation movements in southern Africa in return for a show of Black African solidarity against Israel's continued occupation of Arab territory.

Egypt made it clear during the OAU's tenth anniversary summit last June that such Arab support for the southern African movements depended on Black Africa showing a united front for Arab attempts to regain lost territories.

This culminated in an anti-Israel resolution calling for total diplomatic and economic isolation of the Jewish state.

All but four countries moved to implement the resolution - Malawi, Lesotho, Swaziland and Mauritius are the only ones that have not yet broken off diplomatic relations with Tel Aviv.

The current meeting, the sources said, also was expected to consider recommendations made by the recent African Liberation Committee meeting on the strengthening of Southern African movements.

Our Addis Ababa correspondent adds: The Council of Ministers admitted the self-proclaimed republic of Guinea-Bissau and the Cape Verde Islands as its 42nd member.

In a speech of appreciation, the Guinea-Bissau Foreign Minister called the decision "a great honour" and said it would serve as an inspiration to his people to continue their struggle.

The admission of Guinea-Bissau came after the assembled delegates ratified by acclamation a resolution tabled by the Algerian Foreign Minister.

India hopeful on Soviet aid

BY K. K. SHARMA

RUSSIA, having bailed India's Fifth Plan, now nearing completion, but endangered by a critical food situation with a loan of 2m. tonnes of foodgrains, is now obviously planning to cement ties with this country with heavy economic assistance in other directions.

This is apparent from the fact that a high level Soviet team led by Mr. Nitolai Baibakov, Deputy Premier and Planning Minister, begins a week of talks to-morrow with his Indian counterparts on Russian "talks which will finish by the time Communist Party leader Leonid Brezhnev arrives here on November 26 on a four-day official visit which will almost certainly produce an announcement of greatly increased assistance to India."

This is badly needed if India's Fifth Plan, now nearing completion, but endangered by a resources shortage and rising prices, is to be salvaged and its low targets achieved.

The Russian advance party will include the Semyon Skatchkov, a key foreign economic relations official who has been involved in previous substantial aid schemes for heavy engineering and steel plants.

India's Fifth Plan emphasises "core" projects such as steel fertiliser power and oil for all of which Russian aid is expected, thus making Moscow this country's leading political and economic ally. Endorsement of this is expected in a new co-operation agreement which will give meat to the Treaty of Friendship, Peace and Co-operation signed in 1971 shortly before the Indo-Pakistan war.

That led to the emergence of Bangladesh and a victory which would not have been possible without Soviet Military and political support.

A meeting of a joint economic commission is expected soon after Mr. Brezhnev's visit, but before that it is likely that co-operation in the new field of shipping to expand shipbuilding capacity in India will be announced.

Talks on an annual trade plan with Russia are also due soon and hopes are that Moscow will show interest in a railway wagon deal which fell through some years ago when agreement on prices could not be reached.

Vietnam: over 51,000 dead since truce

SAIGON, Nov. 19.

MORE THAN 100,000 are have been killed, would reported missing in both North and South Vietnam in nearly 10 months since the ceasefire ally began, according to the Vietnamese command to-day.

Between January 28 and day to-day, Vietnamese and Vietnamese units have lost killed. The Government has lost 10,786 killed, wounded and 3,332 missing command spokesman said.

In addition, the government side has reported 1,532 killed, 5,175 wounded and kidnapped.

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October 24, 1973.



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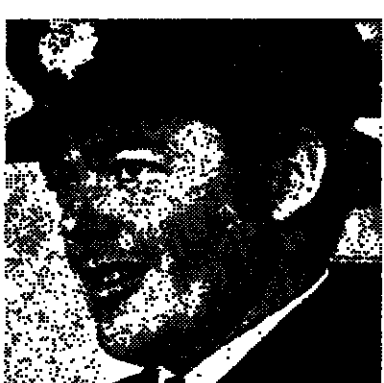
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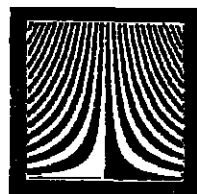
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The Technical Page

EDITED BY ARTHUR BENNETT AND TED SCHOETERS

DATA PROCESSING

Europe's science network

THE COST II European data transmission network to connect scientific centres is at last ceasing to be a largely paper project and is on the road to reality.

The specification, about which there has been much argument in Europe—with the French particularly saying that it was too dependent upon the British P.O. own experimental network, EPSS—is due to be finalised within the next three weeks and invitations to tender are expected to go out in early December to be returned by the second week of February.

The original schedule called for a two-year network creation period from the ratification of the COST II treaty and three years of experiments, which (as the treaty was ratified in February this year) indicates that it is probably running a little behind schedule. However, as much more is now known about packet switching than when the project was mooted in the early part of 1971, some of the experts associated with the project think that there are now fewer fundamental questions to be answered, and that the detailed design and construction will not be as difficult as was originally envisaged.

The COST II contract is a good indication of the interest that industry is now beginning to have in data transmission techniques. Indeed, it can be used almost as a barometer. A preliminary meeting held in Brussels in August this year and attracted representatives from 53 companies, of whom nineteen showed an interest in continuing.

They were invited to put in preliminary statements indicating why they should be asked to tender, and from these a short list of four groupings was drawn up. In each case, the short list seems to be composed of an Anglo-French alliance, for the companies are (British first) Logica with SESA, PA with CAP Europe, SPL with Steria, and Hoskins with Hasler GB—a subsidiary of Hasler of Switzerland, and Sigmas.

The contract is expected to be worth about £1m, or roughly half the COST II budget. These were the sorts of figures originally discussed when the project was at an informal stage nearly three years ago, and interestingly enough, inflation seems to have made little difference. Inflation seems to have been held by the con-

tinuing fall in the cost of the hardware which will be involved and the increasing experience of the data transmission equipment industry with kit working at relatively high speeds.

Little difficulty is expected even in obtaining the self-policing and measuring adaptive 24Kb modems, which will be of a far higher standard than anything currently on the European market.

The network is to be initially agreed, connecting France, Switzerland, the U.K. and Italy—including Euratom at Ispra—however there are some indications that at least two of the other four countries which ratified the original treaty (Yugoslavia, Portugal, Norway and Sweden) may well also join up before the network is finally on line. Germany stays out because the COST II system continues to be incompatible with Germany's EDS.

The COST II options however are not closed. Due to the proliferation of network experiments now taking place in Europe, much more attention is now being paid to the network interfacing and the interconnection node to enable users outside the project to link in. This node will, probably be in Paris.

As the applications and computing requirements of the U.K. and Dutch offices are broadly similar, and program maintenance costs could be shared, it was decided that the two companies would benefit by using the same system and computer service. Specifically, Lummus Nederland requires large core capacity, short turn-rounds and expertise in handling the special problems of teleprocessing-type computing.

Ferranti machines for Nimrod

THE FIRST airborne application of Ferranti's F1600 range of computers was announced last

week in a £1m. order placed by EMI for the Ministry of Defence in connection with the Search radar project EMI is engineering for the Nimrod maritime reconnaissance aircraft.

The computers, of which nine are being supplied in 11 ATR cases, are designated F1600D and consist of central processor, input/output controller, power unit, and modular core store capacity up to 32K 28-bit words.

Conventional roles are reversed in the F1600D, in that the computer is subservient to the peripherals it is connected to, the intention being "ultra real-time" response under the military conditions involved. The peripherals are serviced as necessary and are answered by the computer on a priority basis, each peripheral therefore operating autonomously and in its own time scale.

PRODUCTS

Fast servo valve

A SINGLE stage servo valve for low power hydraulic control systems, the D061-205 is being offered by Moog of Cheltenham, Gloucs.

It is claimed to provide excellent performance at low cost, good resolution, good response and a reduced susceptibility to contamination.

Two flappers in the valve are driven by a common armature, and has an individual flexure tube and hydraulically separated nozzle which increases the useful control flow available with no increase in null leakage flow.

Two flappers in the valve are driven by a common armature, and has an individual flexure tube and hydraulically separated nozzle which increases the useful control flow available with no increase in null leakage flow.

Early next year it will be tested on land before being lowered into the Gulf of Mexico to begin its useful life which is depicted in the nearby sketch.

The first phase of the programme was completed last summer (1972) when Lockheed completed an oil well on the seabed in the Gulf of Mexico for Shell Oil in 375 feet of water—the first of its kind in the world.

Since then the well has been successfully producing oil which at present is being routed to a platform for transfer to the shore. This wellhead is enclosed in a dry, one-atmosphere, steel cellar which houses the equipment normally carried on surface platforms. It is serviced by engineers who travel to it in a one-atmosphere capsule from a surface support vessel.

The capsule docks with the seabed cellar, the engineers open a hatch to gain access and carry out their work in shirt-sleeve conditions with fresh air and electrical power supplied by umbilical cable from the support vessel.

The new manifold centre will be installed at a location to be determined by Shell and serviced in the same way as the wellhead itself. Its linking to several

Since the valving action is frictionless the threshold of the D061-205 is virtually zero. This, together with a very high frequency response of 400Hz for a 90 degree phase lag—3dB amplitude ratio at 650 Hz, gives the valve excellent characteristics for critical applications where fast and accurate control is required.

One existing application is on spark erosion machinery where the valve's unique performance has given shorter machining cycles and improved surface finish. Other uses requiring accurate control of movement include watch making machinery and numerically controlled machinery for drilling printed circuit boards.

SAFETY

Simplified protection from fire

SNAPON fire protection for structural steel columns has been introduced by William Kenyon and Sons (Vicucad), of Duxford, Cambridgeshire.

The period of fire protection provided by this new system will depend on the thickness of the incorporated lining. The system has been tested at the Fire Research Station, Boreham Wood, in the requirements of BS 476 Part 8, 1972. A copy of the test report is available from the system manufacturers.

Vicucase can be supplied to suit any section of structural steel column and is obtainable in lengths of up to 8 feet. The outer metal casing is available, as standard, in untreated mild steel, pvc-coated and galvanised finishes.

In addition to Shell several other major oil companies are also financially supporting the programme. This is an indication of their interest in the project which is pioneering a range of subsea equipment to extract oil from under the seabed in up to 3,000 ft. of water.

That is eight times deeper than any present oil well, and yet is within a water depth where surveys indicate there could be major petroleum reserves in several areas throughout the world including the North Sea.

There will be no platforms or other equipment on the surface. Engineers working in the dry and in ordinary clothes will make routine service calls on the seabed, travelling to the installations in a buoyant capsule which is carried around the oil fields by a surface support boat.

In parallel but separate from the joint programme with Shell, Lockheed is developing a system for use in the North Sea by 1975. The far rougher and colder conditions there require some modification of the system, principally in the design of the support boat which launches and retrieves the manned capsule.

Vicucase will provide the columns with up to four hours protection from fire and, in addition, offers a high resistance to mechanical impact damage.

Designed for quick and easy application, the Vicucase system consists of non-combustible Vicucad board bonded inside a sheet steel casing. This casing is supplied in two sections which interlock the metal joints. For installations on site, the casing is simply placed around the steel column and the two sections interlocked by means of a non-combustible adhesive compound and the metal joints. The interlocked joints are permanent and flameproof, while the outer casing protects the installation from day-to-day mechanical damage.

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MATERIALS

Lubricates chains and cuts wear

GUARDIAN LINKGARD PCL is specially formulated for use where conveyor chains are subjected to chemical, phosphate, paint or other atmospheric contamination.

It is claimed that its use ensures complete penetration to all mating surfaces (including links and pins of 458-type chains) plating them with a fine, high-load carrying, wear-reducing barrier film without leaving harmful residues, even at extremely elevated temperatures.

Linkgard is composed of interacting low-friction, non-making lamellar solids and organic compounds, dispersed in a chemically inert, non-toxic, non-carbonizing ultra-light synthetic oil possessing unique temperature and corrosion resistance. Penetrative qualities have been further enhanced by the use of a non-flammable solvent. Acting synergistically, the solids and carrier together provide a tough, barrier film which prevents

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metal-to-metal contact even under high temperature, extreme pressure conditions. A temperature range of -40°C to +260°C is coped with although the lubricating solids will provide efficient lubrication up to +1,000°C.

Manual application is possible but the product is particularly suitable for application through oil-mist lubricators and lubrication cycles generally be considered extended where an ordinary has previously been in use. Guardian operates from Foreberry Road, London, S.E.4

CORNING Glass Works has a two contracts that mean ceramic substrates will be used in catalytic converters to purify the exhaust of Volkswagen cars. The contracts have been signed with Degussa and with John Matthey, both catalyst manufacturers who will supply catalytic substrates to Volkswagen.

Corning had already agreed supply substrates for use in AEC and Chrysler autos, and an automotive products plant is under construction near Corning, N.Y.

The substrates, trademarked "Celcor," are cylindrical have a honeycomb structure through which exhaust gases pass. The cellular pass support structures, such as platinum, which converts hydrocarbons and carbon monoxide water and carbon dioxide. Catalytic converters are designed to meet the requirements of U.S. Government's Clean Air Act, beginning with 1975 model cars. Delivery of the substrates is to begin with a start lot at the end of this year, and production will begin in the half of 1974, Corning said.

ELECTRONICS

Isolates a high voltage

AN OPTICAL isolator in miniature package has been announced by Monsanto. It is used to isolate voltage signals, eliminate ground feedthrough, and isolate logic signals and logic signals, including digital logic coupling, control, line receivers, or circuits and monitoring circuits. The new unit, model number MCT10, is a gallium arsenide light-emitting diode coupled silicon planar phototransistor. It is mounted in a four lead epoxy package that measures 0.120 inch by 0.110 inch by 0.085 inch thick. This size chosen because it matches the largest chip capacitor in hybrid work.

The unit is compatible with both hybrid circuits where soldering is used and TTL without additional circuitry. Electrically, the MCT10 features 1500 volt isolation typical and a typical dc current ratio of 80 per cent. Rise (non-saturated) of the unit is 3.0 microseconds, with a corresponding fall time of 16 ns. The output stage has a minimum collector-emitter breakdown voltage of 30 volts.

Further information Monsanto Electronic Products, Monsanto House, Victoria Street, London or Semiconductor Specialists, Mier House.

Predicting gas demand

THE GENERAL energy situation being what it is, the demand for gas in the coming months is likely to have to be monitored a little more closely than might otherwise have been the case.

As the weather begins to get colder a narrow approximation of demand relative to temperature is being made by Eastern Gas at its Potters Bar headquarters in Hertfordshire. The corporate planning executives involved are using a Hewlett Packard model 10 desk-top calculator to carry out much of the statistical analysis in a variety of forecasting procedures. In some cases they have used the calculator to build up prototype Fortran programs for use on larger machines. The HP machine is also being used to match the supply of gas to the requirements of the grid network.

This is the second gas grid control centre to be ordered from Ferranti. The first was built for the Gas Council at Hinkley, England.

These systems represent a new explosives technology and as the materials involved are classified as safe, non-explosive chemicals, they can be carried on board commercial aircraft, thus giving the advantage of the fast response time usually required by off-shore oil contractors. On arrival at the job site the chemicals can then be mixed to form a safe high explosive.

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Pact on "safer" explosives

EXPLO-RIDGEWAY International (ERI), the off-shore explosives service company, has entered into an agreement with the ICI subsidiary, Nobel's Explosives Co., Stevenson, Ayrshire, Scotland to make available some of the resources of NEC, such as research facilities, supply, stock control, distribution and general administrative functions, as well as the services of field engineers, which will widen the scope of ERI's operations to meet the increasing requirements of the off-shore oil industry.

Explo-Ridgeway International, with offices in Paris, London and Beirut, specialise in the use of two-component chemical energy systems which are used in various underwater devices for cutting pipe and trenching for a sea-lane.

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Watch over a broad gas grid

WYTHENSHAW Division of Ferranti, through its German subsidiary in Wiesbaden, has recently signed a contract for the supply of a gas grid control centre for Stuttgart. The contract is worth over £150,000.

The computer system will be used in the control room to monitor and optimise the gas supply, and ensure a constant

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MACHINE TOOLS

Control of a vertical mill

GREATLY increased flexibility and speed in numerically controlled machining have been demonstrated by research engineers at Battelle's Columbus Laboratories who have linked a vertical mill with a mini-computer.

Battelle's Dr. Nuri Akgerman reports that the recently developed experimental machining system can be programmed—directly on the computer/controller—to cut a variety of analytically defined geometries. These include circles, ellipses, and hyperbolic parabolas.

The system, with its three-axis contouring capability, is the result of a two-year effort by a Battelle group who felt the need to develop a numerical control laboratory tool having considerable versatility. Specialists in metalworking, electronics, and computer technology were closely associated with the development.

In one experimental project the total fabrication time was reduced by 60 per cent, using the new system. The project involved the machining of a cylindrical plastic injection mould. The total time required to complete the part was 16 hours—12 for programming and checkout and four for the actual machining. With conventional techniques, it is estimated setup and machining time would approach 40 hours.

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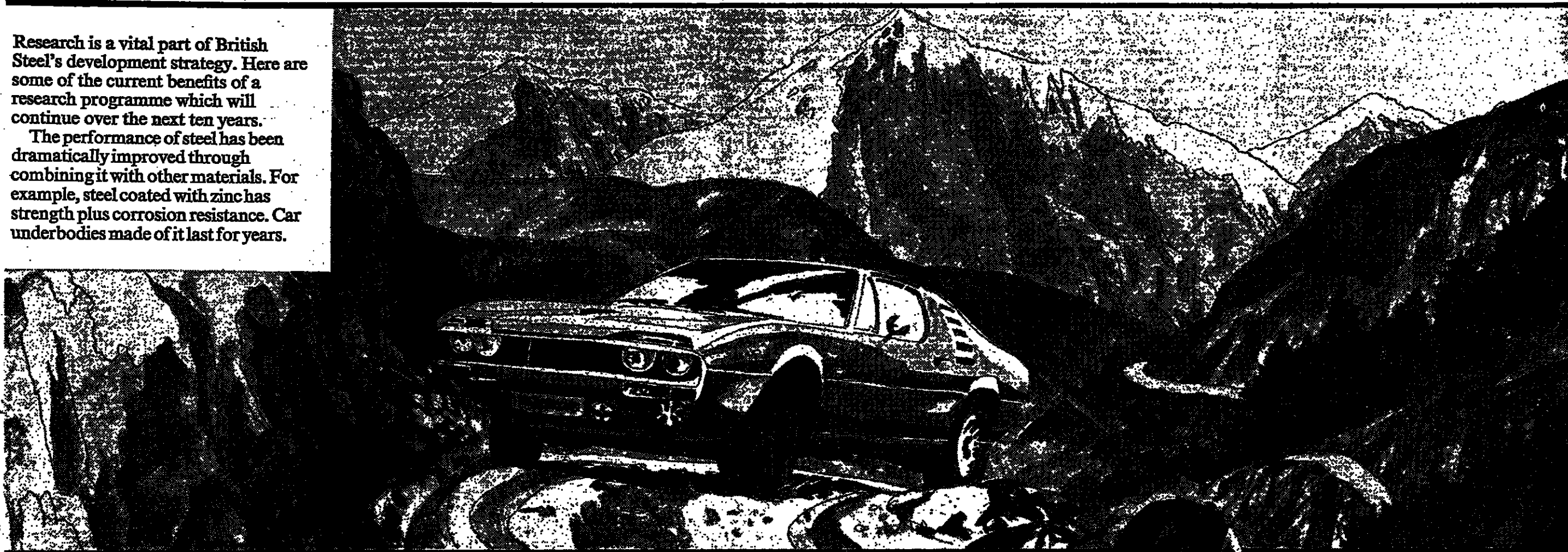
BRITIS

STREAMLINING STEEL

Coated steels, coloured steels, silent steels, textured steels...

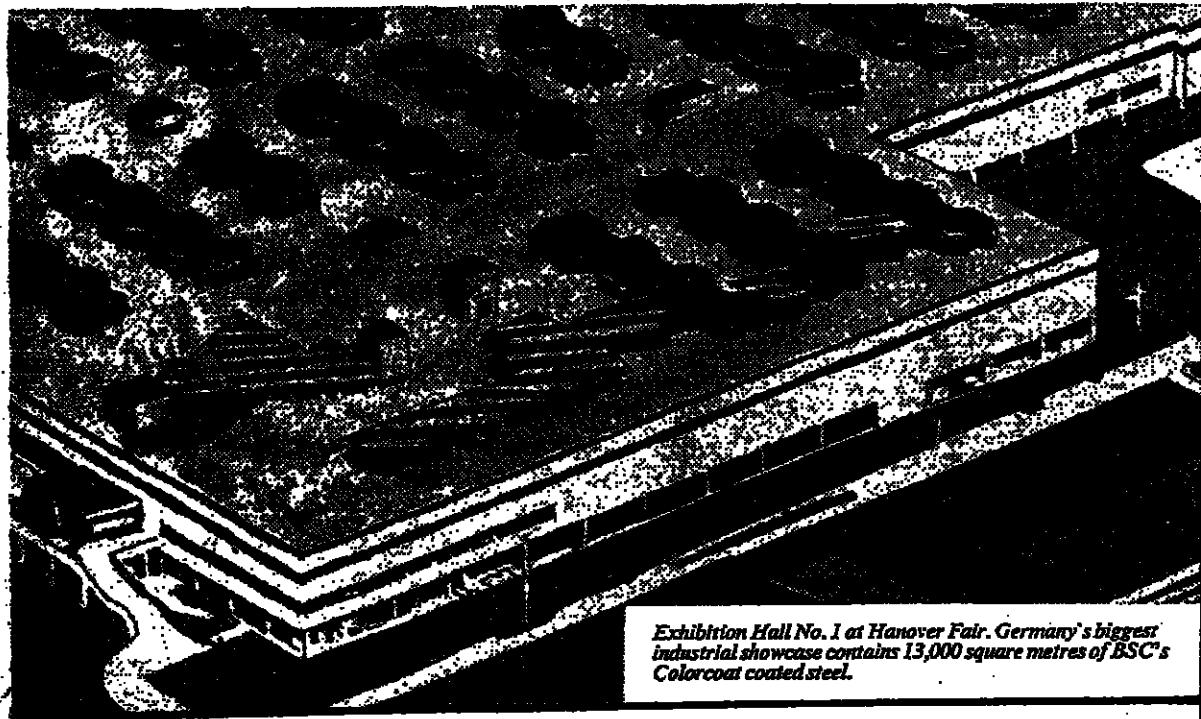
Research is a vital part of British Steel's development strategy. Here are some of the current benefits of a research programme which will continue over the next ten years.

The performance of steel has been dramatically improved through combining it with other materials. For example, steel coated with zinc has strength plus corrosion resistance. Car underbodies made of it last for years.



Steel coated with plastic means it can have pattern and texture and be all the colours of the rainbow. There are flock-coated steels, foam-coated steels and steels coated to give

suede effects. Steel, red, white and blue, is used in buildings, cars, TV sets and swimming pools.



Exhibition Hall No. 1 at Hanover Fair, Germany's biggest industrial showcase contains 13,000 square metres of BSC's Colorcoat coated steel.



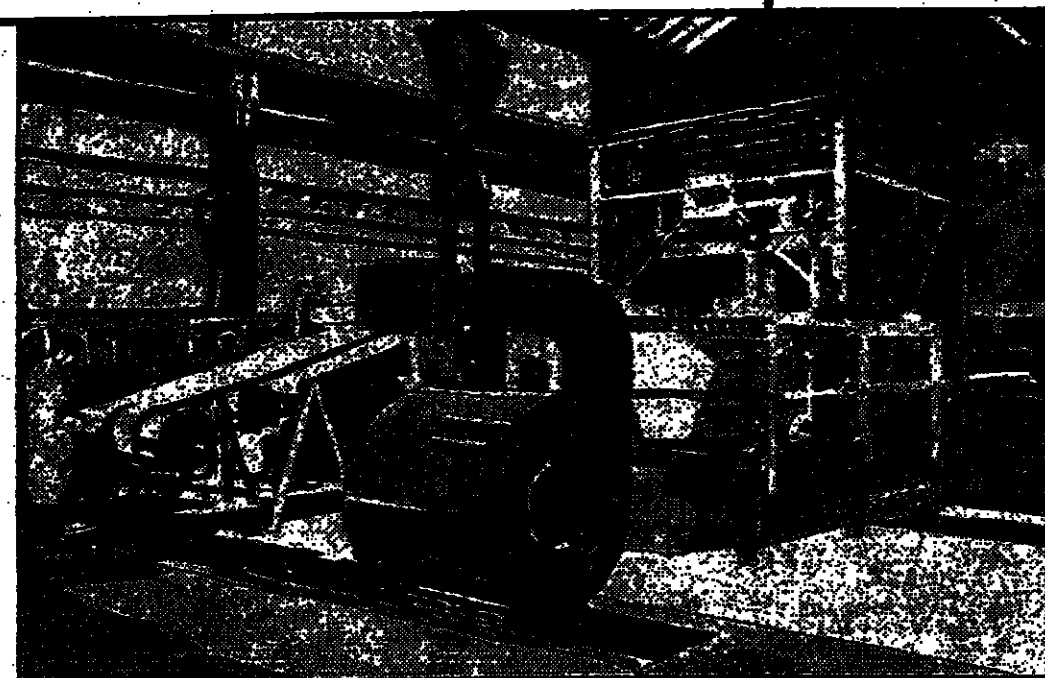
There is a silent steel—a BSC development. Take two sheets of steel and a sound-deadening core, put them together and you have a sandwich without 'ring'. Already its use is making motoring quieter. And ticket machines on London's Underground have incorporated silent steel.



Other interesting developments are just coming up. Take vitreous enamelling. Basically this means coating steel with glass. It once meant two complex processes. Now BSC has developed one-coat enamelling steels so that enamelling can be done in one operation.

The benefits of this research and development are many. It results in not only better and cheaper goods for the consumer, but in simplified and improved manufacturing techniques. Steel that needs no painting or galvanising gives manufacturers greater flexibility and enables them to cut out many expensive additional processing operations.

This is one of the plastic-coating lines at Scunthorpe which BSC is developing into a major production centre for coated steels.



The British Steel Corporation employs 3,000 research workers. The results of their continuing efforts are helping to make BSC economically sound and confident of its future. These new

methods of finishing steel are just one example of the way in which their abilities are being deployed to ensure that the Britain of the 80s has the steel industry she needs.

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BRITISH STEEL CORPORATION



STREAMLINED STEEL



EXPANSION OR DEFLATION, SAYS PM

'Hard choice' for Britain

BY PHILIP RAWSTORNE

STEADY EXPANSION and an orderly increase in wages. Or a return to deflation, stagnation and unemployment. That was the "hard choice" offered the country by Mr. Edward Heath, the Prime Minister, yesterday.

Expansion could be continued, he said. "Let the nation seize this opportunity. Let us break through the cycle of stop-go." Mr. Heath's call, in the Commons debate on the Government's economic management, roused little enthusiasm or confidence.

Indeed, following Mr. Harold Wilson's charges of "bankrupt policies" but equally uninspiring alternative management prospects, the debate is unlikely to persuade more of the country's voting shareholders to turn to the Liberals.

The Opposition Leader, presented with so many opportunities for attack, nibbled at them all without any real bite. But even the mere recitation of the broken promises on prices, the plunging value of money, and the general "rake's progress" into the pit of last month's trade deficit was enough to hold the Tory benches in discreet silence.

"The Government have created an asset-strippers' paradise," said Mr. Wilson. "They have fortified the already excessive power and arrogance of the property speculators."

While these people plundered the nation's wealth at the expense of ordinary families, the Government itself was "living on Eurotick."

Mr. Wilson said: "The country cannot afford another 18 months of this Government. They have no policy remotely relevant to deal with the crisis they have created. The last remaining relevant and constructive step open to them now is to confess their failure and get out."

Mr. Heath, of course, made no such confession—let alone instead he ran briskly and bullishly through a "balance sheet" of Government policies and achievements that would hardly have satisfied his own reformed company law.

The standard of living had increased substantially, industrial investment next year would be the highest since 1963, and exports were rising faster than the volume of world trade, he said. The country's reserves were sufficient to take the strain on the balance of payments.

Mr. Heath said: "The Government embarked deliberately on a policy of expansion knowing full well the internal problems that would be encountered on the way." The solution to the country's problems lay in continuing that policy.

Tory talk of 'steel black market'

By Justin Long, Parliamentary Correspondent

ALLEGATIONS OF a black market in steel were discounted by Mr. Peter Walker, Secretary for Trade and Industry, but he agreed to look into the matter when pressed to do so from the Tory backbenches in the Commons yesterday.

Raising the complaint at Question time, Mr. John Stokes, (C. Oldbury and Halesowen), claimed that British steel was being exported to Europe and then re-imported to be sold on the black market.

There was "growing alarm and despondency" in the West Midlands because of the severe shortage of steel that affected many manufacturers, Mr. Stokes contended.

He wanted to know if Mr. Walker was able to deny rumours that re-imported steel was being sold in this way.

The Minister agreed at once to look at any specific details about such a practice if these were supplied to him. Our total exports were a relatively small proportion of our total production, he added.

In balance

Moreover, exports and imports of steel, both relatively low figures, were broadly in balance. Anxieties over the availability of steel continued to be pressed, and Mr. Christopher Woodhouse, (C. Oxford), urged Mr. Walker to direct the British Steel Corporation to ensure that when steel was in short supply it should be rationed with particular regard to the needs of long-established customers.

Mr. Woodhouse said the BSC had refused an allocation to long-standing established customer in Oxford.

The Minister, however, declared his confidence that the BSC was allocating the available supply as fairly as possible. He could not give an answer on the customer's problem raised by Mr. Woodhouse, but said that careful consideration would be given to that application.

There might be some factors of which he was not aware. The DTI had created a clearing house organisation with stocks and BSC for dealing with such cases.

Scottish TUC to call third 'Assembly'

EDINBURGH, Nov. 19. THE SCOTTISH TUC is to convene a third Scottish Assembly in May next year, to debate issues arising from the recent Kilbrandon Commission recommendations for an elected Scottish domestic Parliament with legislative powers.

The Assembly, which draws its representatives from all political parties, industrial and development organisations, local authorities and the Churches, has twice been called into session by the STUC. The last time was in January this year when about 1,000 delegates debated Scottish unemployment.

Pork Farms Limited

Half year's results

up to 31 September, 1973

	1973	1972
Turnover	£900	£800
Interest payable	6384	4880
Trading profit	554	445
Profit before taxation	93	66
Taxation at 50% (1972-40%)	461	332
Profit after taxation	230	153
Earnings per share	231	228
	7.4p	6.2p

Notes: 1. All figures shown are unaudited.
2. For comparative purposes the 1972 Earnings per share figure has been adjusted to assume taxation at 50%.

CHAIRMAN'S STATEMENT

I am pleased to report increased sales and profits for the six months ended 31 September, 1973. Sales were almost £7m. and pre-tax profit has increased by over 20 per cent compared with last year to £461,000, a record half year for our group.

Sales at the beginning of the second half of the year have started at record levels and I am very confident that the results for the year will be satisfactory.

The launch of our products into London and South East England has been successful and although considerable expenditure has been incurred in this first half year we expect the benefits to accrue in the future.

Interim Dividend. The Directors have declared an interim ordinary dividend of 2.625p per share (3.75p per share with associated tax credit) compared with 2.0p per share gross last year declared under Phase 1 counter-inflation legislation. The maximum total dividend for this year under current legislation will be 6.615p per share (9.45p per share with associated tax credit). The interim dividend will be paid on 2nd January, 1974 to shareholders on the register at the close of business on 7th December, 1973.

DAVID SAMWORTH, Chairman

Government is living on 'Euro-tick,' says Wilson



Mr. Harold Wilson

THE GOVERNMENT had been elected on one mandate only, that of prices, said Mr. Harold Wilson, Opposition Leader, opening yesterday's Commons debate on the Government's handling of the economy.

It had been to do with the cost of living, including food, rents, fares, school meals and mortgages.

Mr. Wilson told Mr. Heath: "You are there because of a typically broken covenant you made with the British people over prices and for no other reason."

Mr. Wilson said Mr. Heath made appearances on television and made Press announcements but not to Parliament if he could help it.

"This motion was tabled last week to censure the Government on the bankruptcy of their policies laid bare by the panic announcement of last Tuesday morning and the catastrophic trade returns which produced it," Mr. Wilson said that taking the Labour pound at 100p in June 1970 the latest figures showed that it had depreciated to under 75p.

After referring to the Government's "mandate," Mr. Wilson said that if this Parliament ran the full five years the Conservative pound "would be at best" down to 55p. If the Conservative Party was elected for another period of office, he estimated that the Conservative pound would fall to around 44p.

'Deceit'

"On prices as on housing this Government was conceived in deceit and it has compounded the deceit by its treatment of those whose trust created it," Mr. Wilson told Mr. Heath: "One of the reasons why you have lost all authority to appeal to the British people is that you have not only betrayed the pledge which won you the election, you deny having made it."

Amid noisy protests from Conservative backbenchers, Mr. Wilson told them: "Let each of you pick the largest hall in your constituency and throw it open to all the people. Then read to them the Prime Minister's 1970 election address and then read the relevant parts of the Tory manifesto."

"Then read the record of last week's trade figures, the 13 per cent. Bank rate, the credit squeeze and the cost-of-living figures and then apologise or better still resign."

The announcement of this state of emergency was, as was intended to be, a diversion from the breakdown of economic

policy and an attempt to shift responsibility.

Mr. Wilson said he reckoned that October's trade deficit was in fact around £370m.—12 times the £31m. visible trade deficit in the month before the 1970 General Election.

Mr. Heath had viewed the £31m. deficit as "catastrophic" while the £370m. appeared to be "one of those intriguing problems of success."

Mr. Wilson said he further indicted the Government for imposing a 13 per cent. "Bank Rate" and a credit squeeze. The "Heath Pound" had been devalued by 25 per cent. at home and by 17 per cent. to 20 per cent. abroad.

"This Government is living on 'Euro-tick,' he declared. If the Government did not act to reverse the trade position no amount of borrowing would solve the problem.

He went on: "Come hell, high water or a 13 per cent. Bank rate, the Government will not shift responsibility."

Every trade union had accepted Stage Two of the prices and incomes policy, however reluctantly, but nevertheless prices had risen faster than ever. "Now it is the wicked unions once again."

Referring to coal production, Mr. Wilson said: "Any pay and prices policy is meaningless if it does not provide for special action to deal with wastage and recruitment."

"If the miners are highly paid, why are 600 a week leaving to go to other industries? In the

national interest the Prime Minister should concentrate on stopping the 30,000 a year drift from the mines, and getting 30,000 a year into the mines."

Miners knew an undue portion of the national cake was cut for the people who contributed nothing to the country's wealth and welfare. Would there be a state of emergency if speculators, asset strippers, and tax avoiders went on an overtime ban?

Mr. Wilson held up a pamphlet called Directors' Leasing which he said offered "massive" tax relief on items such as motor-cars, aircraft and luxury power yachts.

After quoting examples and referring to some of the more glamorous models Mr. Wilson referred to a cheaper one—the Ferrari Dino, described as "the ultimate fun car." He scoffed "it looks like it."

Mr. Wilson said the Government should have reintroduced control of borrowing, including capital issues control and an ordered queue for new loans. "Until they do this Ministers will need to have increasing recourse to panic bank rate figures."

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'Stop drift'

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Mr. Edward Heath

surely, was sufficient ground for taking action."

Mr. Heath said the Government had taken speedy action to husband the energy resources available to the Nation. The only permanent answer to uncertainty about oil supplies was the securing of a permanent peace in the Middle East. "By their action, the Arab countries run the risk of heavily damaging their friends in Europe."

"It is bound to make it more difficult for the European Community to find resources with which to help the rest of the developing world."

"For it is not only the developed countries which carry the burden."

He believed the offer made to the miners was "very generous." They would do better than most other groups under Stage Three. "The code will ensure so far as the miners are concerned, that any improvement in their wages will be shared by other groups who receive over other groups will not automatically be lost by leapfrogging as in the past."

Mr. Heath emphasised there was nothing unfair in what was being offered to the miners inside Stage Three. "What is clear is that Stage Three must be maintained if we are going to keep control over domestic aspects of inflation."

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Walker talks of 'situation in which all U.K. energy supplies are at risk'

BY JOHN HUNT

MR. PETER WALKER, Secretary of State for Trade and Industry, made no attempt to minimise the seriousness of the present energy position when he announced to the Commons yesterday that the Government was taking measures to reduce oil deliveries by 10 per cent.

"We now face a situation in which all our energy supplies are at risk," he told the House. "Coal and electricity because of industrial action and oil because of continuing uncertainty about production in the Arab countries."

"The measures we will have taken by to-morrow will, in combination, be far greater than in any other European country—far greater than in the U.S. or Japan."

In later exchanges he told a Tory questioner: "The increase in prices from the Middle East countries will have a considerable impact on prices and indeed on the balance of payments."

New Arab cut

He was also questioned about the latest Arab oil production cut from next month, but exempting the European Community other than Holland.

Mr. Walker explained that, while this action was well come, there would still be a very considerable drop in oil supplies to Europe and the world at large during December. But it was

hoped that at a later stage some of the present cuts would be dropped and normal fuel supplies resumed.

A Conservative backbencher suggested that in view of the deteriorating situation Britain should follow the example of Belgium and close petrol pumps on Sundays.

Mr. Walker replied firmly: "No sir." He thought such a move would only lead to difficulties, particularly in regard to nurses and doctors. It was not a sensible move.

It was suggested to him that the cuts would badly affect rural areas. But Mr. Walker retorted: "To reduce to 90 per cent. of normal consumption will not cause any great problems or hardships. The overall position on the latest estimate is that the U.K. still has stocks for over 70 days. There has not been a massive deterioration in our position."

A list of those in special categories was being published immediately. He advised those in the categories to make special application to the regional offices of the Department of Trade and Industry.

In a series of questions Mr. Anthony Wedgwood Benn, Opposition spokesman on Trade and Industry, asked what action was being taken to prevent a black market developing, as it

was suggested that the maximum amount of newspaper advertising for advertisements should be limited. Mr. Grant replied: "It is not for me to pontificate on how newspapers should use the newsprint."

"The industry is sorting out the difficulty, and the Government will enter into discussions if necessary."

Whatever reactors were chosen, Parliament would have a full explanation. At the end of the debate, however, he said, it would be for the Government to make the decision.

When the question of the newspaper shortage was raised, Mr. Anthony Grant, Under Secretary for Industrial Development, said the scope for short-term action was limited.

The newspaper industry had made arrangements which were working satisfactorily, Mr. Grant maintained. The situation would be kept under review by the newspaper producers and the newspaper publishers, he told MPs.

From the Tory back benches, the choice for the unions, remains a steady expansion with an orderly increase in standards of income or a return to stagnation and unemployment."

It was still true the solution to our problems lay in continuing growth and expansion of investment.

'Opportunity'

The Prime Minister went on: "We have achieved expansion. We have the opportunity of continuing with steady expansion provided we seize every opportunity now of increasing production."

"We should abandon old techniques of management, abandon go-slows, bans on overtime and other industrial practices as a means of settling disputes and simply the export orders now on our books."

Other countries had far greater problems with higher rates of inflation. They were being even more damaged than we were by the oil situation.

He urged the nation to seize the opportunity and break through the policies of stop-go which had bedevilled the country for so long.

THE GOVERNMENT was willing "in principle" to provide further financial support for the shipbuilding firm of Harland and Wolff, Belfast, Mr. William Whitelaw, Northern Ireland Secretary, said in a Commons written reply.

He told Mr. Mervyn Rees, Labour spokesman on Northern Ireland affairs, that the Government remained convinced of the need to secure the future of this important shipyard as the largest employer in Northern Ireland.

The Government had told the company of its continued confidence in the management. Mr. Whitelaw said: "A detailed examination of the position, including in particular the com-

pany's capital investment programme, is being undertaken urgently with the assistance of outside consultants."

"The form and amount of support required will be assessed when this examination is completed and at that stage I hope to make a further statement."

LABOUR CHOICE FOR BRIGG
Mr. John Ellis, former Labour MP for Bristol West, has been selected as the party's candidate for Brigg and Scunthorpe in Lincolnshire at the next election. Mr. Ellis, a member of Bristol City Council, was in Parliament from 1964-70.

had done during the Suez crisis in 1956.

He thought the situation pointed up the need for the Government to be more flexible in its dealing with the miners and the electric power engineers—a suggestion that brought some snorts of contempt from the Tory benches.

Mr. Walker pointed out to Mr. Benn and to a Tory questioner that boarding would be prevented by a combination of Home Office regulations already existing and the new ban on strikes in essential services.

He said some of the small companies had had to stop deliveries entirely, but it would be getting furt supplies under pooling arrangements between the oil companies.

Commodities price drop 'would save Heath'

THE U.K. is in for "an extremely difficult winter," but a cull of the present boom in commodity prices would "bale Mr. Heath out," Sir Frederick Cather, managing director of John L. & Co. said yesterday.

Sir Frederick, a former director of the National Economic Development Council, was speaking at a conference organised by stockbrokers E. B. Savory, at Interbuild, the International Building and Construction Exhibition at Olympia.

Cuts in all supplies would mean a setback for economic growth in all countries affected, but this would lead sharp downturn in commodity prices, Sir Frederick said.

As a result, import prices would fall, and the U.K. balance of payments and terms of trade would improve. "Oil could be the instrument to cure inflation."

JAPAN LICENCE
Smiths Industries' export scale turbine gas turbine type indicators will be manufactured under licence in Japan by Hokushin Electric Works.

NUBE Co-op Bank ballot on pensions

BY JOHN WYLES, LABOUR REPORTER

THE NATIONAL Union of Bank Employees is balloting 1,300 members in the Co-operative Bank this week on possible strike action in support of demands for an improved pension scheme.

Ballot papers being sent out on Friday will ask if the staff is willing to take strike action if it is called by the NUBE national executive. The result of the ballot is expected early next month.

The strike threat follows talks over several months on the NUBE demand that the bank withdraw from the Co-operative Wholesale Society pension scheme and substitute arrangements in line with schemes operated by the major clearing banks.

The NUBE claims the CWS scheme sets only minimum standards. Benefits are said to have fallen behind those offered by other banks where staff can get up to two-thirds of their salary on retirement.

A union spokesman said yesterday the Co-operative Bank refused to make improvements in advance of actuarial assessments of changes needed in CWS scheme. No comment available from the bank yesterday.

SCOTS GROCER WORKERS' PAY
By Our Labour Reporter
PAY RISES, believed to line with the Government's scheme and substitute arrangements in line with schemes operated by the major clearing banks.

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Northern textile pay rise of £2.25 a week

BY OUR OWN CORRESPONDENT

ABOUT 12,000 workers in the textile industry in Yorkshire, Lancashire and Scotland will get pay, the women's rate of pay, increased by 21 per cent. following an agreement reached at Bradford on 19th.

It is for woolcombers, rate, warehousemen, drivers, clerical workers, overlookers and technicians and is subject to the approval of the Pay Board.

The one-year agreement, between the British Wool Confederation and the General and Municipal Workers' Union, sets a new basic rate of £20 a week for operatives, £33.50 for drivers and £28 for overlookers and technicians.

A threshold agreement, in line with the Stage Three Pay day strike over equal pay Code, will give an extra 40p a week if the Government's retail talks.

Paint workers seek rise

BY OUR LABOUR STAFF

NEGOTIATIONS began yesterday between the Paintmakers Association of Great Britain and trade unions in the paint, varnish and lacquer industry for pay rises of £7.49 a week plus shift allowances and shorter hours for 30,000 manual workers in the industry.

The unions are demanding a £2.40 a week increase on the basic wage of £18.78 a week to bring workers into line with increases of £1.68 a week.

AUEW faces new char

THE Amalgamated Union of Engineering Workers faces another charge of unfair industrial practice in the National Industrial Relations Court tomorrow.

A complaint against the AUEW's engineering section has been made by Coventry toolmaker Mr. Bryan Dennis, who imposed on the AUEW Industrial Relations Court

John's

We believe you should change your car as often as you change your house.

It seems that the average home owner holds on to his house for six to seven years. Which is about three times longer than the average new car owner holds on to his car.

And though it may seem strange coming from a car company in this age of obsolescence, we'd be happy to see people changing their car as infrequently as they change their house.

After all, once people are looking for a car that will last them quite a few years, they'll want the qualities we've engineered into our Audi 100LS.



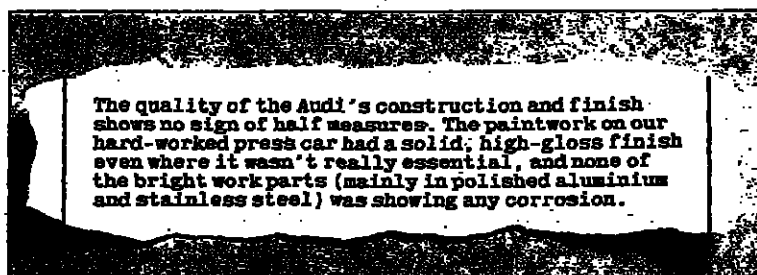
Good ideas don't change.

Its styling, for a start, isn't the sort that looks dated a year after you've bought the car. As the Sunday Times observed in August 1973: "You wouldn't guess by looking at it that the Audi 100LS was first introduced in 1968. Were it to have appeared for the first time at one of the forthcoming Motor Shows, I doubt very much whether people would have considered it anything but a perfectly acceptable 'European car'."

This year, in fact, is the first year we've altered the car's styling in any way. (Notice, the slightly crisper lines on the front of the car.)

There'd be no point in giving our car a body line that will stand the test of time if the rest of the car won't.

If you'd care to study virtually any road test on the Audi 100LS you'll find that our efforts to prolong our car's life span haven't gone unnoticed.



The AA know a well made car when they see one.

The AA's road test is a typical example.

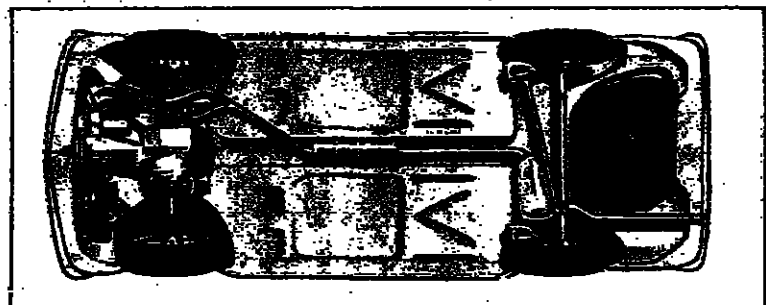
Opinions like this one are backed up by figures from the official Swedish vehicle testing institute which checks all two year old cars. They found that the Audi 100LS averaged 20% fewer faults per car than the average for the other executive saloons they tested.

But really, you can judge the way we put our cars together without testimonials like this. Just go along to any Audi NSU dealer and have a look at both the new and used Audi range.

Run your fingers over the car's paintwork and then do the same on other cars. You'll surely notice, because of the way we hand spray every single car, that the paintwork feels smoother on the Audi.

Look underneath any Audi and you'll find it's unusually well protected against the combined effects of salt and water attacking from beneath.

Not only is the underside of the car protected with PVC,



There's no point in protecting the top of the car if you don't also protect the bottom.

instead of the normal wax or bitumen that can be chipped off by flying road debris. But the PVC actually extends into the engine compartment, and up the sides of the car as far as the bottom of the doors.

A car, however, needs to be more than well made if it's going to last you for quite a few years. It also has to be able to answer your changing motoring requirements over that time.

You may begin by wanting a performance car: in which case the Audi's 0-60 in 11.7 seconds and its cruising speed of 106 mph (where the law allows) will commend itself to you.

As your family grows, you may then need the extra space of a family car. You'll find the interior of the Audi 100LS is one of the largest you can buy, at any price. And its interior as well as being large is also lavishly furnished.



A great place for the whole family.

At some times of the year, particularly when going on holiday, you may find you need the extra space of an estate car for carrying luggage. In which case the Audi's cavernous 23 cubic ft boot is at your disposal.

Finally, as school fees start to come in, you may decide you need an economy car. In which case, you'll be gratified to know that the Audi's petrol consumption of 26 mpg (Autocar) is not only better than other cars in its class, it's also better than some one litre cars.

All in all, you can see that an Audi 100LS is a car that should be with you for quite a few years.

Which makes its price of £2,227, seem rather more reasonable.

After all, if you keep a car for longer than normal you can afford to spend a little more than normal on it in the first place.



If you want a better car, think about it.



Mr. Davies buys Aintree racecourse in £3m. deal

BY MICHAEL THOMPSON-NOEL

AINTREE RACECOURSE, Liverpool, the home of the Grand National, is to be sold to Mr. William Davies' Liverpool-based Walton Group for £3m. cash. Mrs. Mirabel Topham, 38, chairman of the Topham family company which owns the racecourse, said in London yesterday that Walton had agreed to guarantee to run the National for at least another five years.

Mr. Davies, 38, plans a £20m-£30m development on approximately 40-50 of Aintree's 288 acres which would include "one of the most modern shopping centres in Europe". He shall be starting discussions with the planning authorities immediately and is sure we will receive their full co-operation," Mr. Davies said.

The contract is subject to a High Court bid by Topham's to remove a freeze on the sale of Aintree imposed by McCrea Properties. Topham's said last week that it had issued a writ against McCrea Properties, owned by Mr. Patrick McCrea, 38, the Irish racehorse owner and property developer who has filed a Land Charge and a Caution at the Land Registry.

McCrea Properties claims that a verbal contract was entered into last November between Topham's and itself for the sale of the racecourse.

The writ is expected to be heard in the High Court before Christmas, although proceedings could be lengthy.

The sale of Aintree to the Walton Group is also conditional upon the approval of Topham's shareholders.



Mr. William Davies with Mrs. Mirabel Topham at the Savoy Hotel, London, yesterday, after he had presented her with the 100-year-old Aintree finishing post.

Negotiations with the Walton Group began 18 months ago. Mr. Davies, Walton's chairman and owner of more than 94 per cent of the company's equity, plans to seek planning approval for a shopping centre at Aintree which would involve air-conditioned stores, restaurants, cinemas, special entertainment facilities for children and parking space. "The area around Liverpool is one of the most densely populated in this country," he said. He added that he would "probably go public" when planning permission was given. The Walton Group was formed in 1960 with a starting capital of £2,000—all of it subscribed by Mr. Davies. Until 1970, by which time it was making profits of

around £200,000 a year, it specialised in house building. Three years ago it turned from house building to commercial property development.

The Walton Group's assets now exceed £10m. Mr. Davies said the £3m. cash for Aintree had been raised "on the back of existing group properties"—it owns around 60 altogether. By January, 1975, he said, company income should exceed £1m. a year. "The Government is being asked to intervene in the proposed sale of the racecourse," said Liverpool's Mr. Eric Heffer, last night tabled a Commons motion expressing concern at the sale. See Men and Matters, Page 22

LATEST WILLS

Mr. A. D. Pilkington, a member of the Pilkington glass family, and former Deputy Lieutenant for Cheshire, left £569,740 gross (duty £216,494). Mr. Pilkington, a noted art collector, left a number of works from his collection to the Ashmolean Museum, Oxford, including pictures by Reynolds, Tiepolo, Zuccarelli and Frans Pourbus the elder. He also left the

remainder of his collection of English water colour drawings to his old school, Eton. £550,126
Mr. H. C. G. Wadley, a former Lloyd's insurance broker, left £380,678 gross (duty £175,982). £359,619
Mr. C. E. Knowles, a former solicitor and partner in Knowles and Son and Knowles Cave and Co., left £123,435 gross (duty £30,735). £122,647
Further duty may be payable on some estates.

NEW HOPE FOR WATERWAYS

Sir Frank Price, chairman of the British Waterways Board, has welcomed the decision by the Department of the Environment that 23 more bridges over the Birmingham Canal Navigations network heading west under "Exercise Bridgeguard" are to be strengthened or replaced. Speaking at the annual dinner of Lancaster Canal Boat Club Sir Frank said nearly £3m. had been spent and nearly 700 of the Board's bridges either assessed at or brought up to full strength.

Official guidelines for crowd safety

By Michael Thompson-Noel

RECOMMENDATIONS to reduce crowd hazards at sports grounds are contained in a guide published yesterday by the Home Office and the Scottish Home and Health Department.

They are based on the 1973 Wheatley Report on Crowd Safety at Sports Grounds and issued in connection with the Government's Safety of Sports Grounds Bill, which is down for a second reading in the House of Lords today.

The Wheatley report followed the 1971 disaster at Ibrox Park, Glasgow Rangers' soccer ground, when 66 people were killed and 140 injured.

Safety problems associated with stands, terraces, staircases, crush barriers and exit routes are covered. The code was prepared in consultation with local authority associations and the football authorities.

The proposed law states that sports grounds must qualify for a safety certificate to be issued by their local authorities, and that the money for safety improvements must come from soccer clubs themselves.

Motor trade 11% better

Financial Times Reporter

MOTOR TRADE turnover in the third quarter this year was 11 per cent up on the same period in 1972.

Sales of new vehicles were up 11 per cent on a year earlier, and those of used vehicles up 6 per cent.

The value of other sales—petrol, spares, servicing and so on—rose by 12 per cent. The figures are based on current prices and include transactions between dealers.

Poulson 'showered gifts' on civil servant, prosecution claims

AN APPLICATION to select a jury on the basis of intelligence was rejected when the trial of John Poulson, the former international architect, and senior civil servant in the Pottenger family, began yesterday.

Mr. Wilfrid Steer Q.C., representing Pottenger, told Leeds Crown Court that there had been a recent direction that information about jurors' occupations should not be disclosed.

He said that he had the consent of the prosecution and those acting for Poulson to take the unusual step of applying for the parties to know the occupation of jurors—so that some attempt could be made to have a jury which was intelligent and fit to deal with the issues.

Mr. Donald Herrod, Q.C., for Poulson, said a successful application would be "advantageous to all concerned."

Mr. John Cobb, Q.C., prosecuting, said that if the judge thought it was right he would have no objection, but he certainly did not support the application.

Justice Waller said he did not think it would be right to go directly against the principle that a jury was supposed to represent the community. He rejected the application.

Poulson, 63, of Carleton Green, Pontefract, Yorkshire, and Pottenger, 67, suspended Under-Secretary at the Scottish Department of Agriculture, of Gullane, East Lothian, both pleaded not guilty to all charges.

Mr. Cobb said Pottenger was a highly intelligent and respected member of the Scottish Office in a responsible and influential position.

He had an over-riding duty to act with impartiality and integrity and, above all, to protect and safeguard the interests and resources of the State.

Pottenger knew, said Mr. Cobb, from a very early stage that Poulson was an ambitious architect anxious to secure commissions for work in Scotland. He knew increasingly as time went by that Poulson was using him and relying on him.

Ready provider
The essence of the prosecution case was that Poulson, over a six-year period from 1963 to 1969 gave, and Pottenger received, large sums of money to the total value of £30,000.

"As to Poulson we shall submit that his object in life was to get as much work and money as he could by using his money to bribe and corrupt officials."

"As to Pottenger it is unthinkable, we submit, that a man of his intelligence and his worldly wisdom did not know what the cheques and gifts were for."

We shall set out to prove that Pottenger, in fact, became Row at a cost of £250.

"No alert" at Summerland blaze
WHEN THE inquiry into the Summerland fire, in which 50 people died, opened in the Isle of Man yesterday, Mr. John Newey, Q.C., for the investigating commission, said no alert had been sounded.

The building's public address system was at the time under the control of an organist, and a compere, who both "made cracks about the fire"—obviously with the intent of allaying fears. But, said Mr. Newey, the effect of this was that people who had heeded the television relay can be returned to their seats.

Mr. Newey said staff played a hose on the blaze, but the fire was too big and the hose had little effect. Fire extinguishers were also ineffective.

Bigger EEC helps wine consumers

BY KENNETH GOODING, INDUSTRIAL CORRESPONDENT

THE BALANCE of power between the wine producers and the wine consumers within the Common Market has swung towards the consumers since the Community was enlarged. The Wine Development Board declared yesterday.

Britain's wine traders have been working hard in Brussels to make sure the wine producers are not over-protected "because one way to give wine producers within the EEC an advantage is to keep import duties and tariffs forcing them to become more competitive."

Mr. Gordon Clark, chairman of the Wine Development Board, said this is particularly important for the U.K. which imports only 30 per cent of its wine from Common Market countries.

"The U.K. still has a wider choice of wine at more competitive prices than practically any other country in the world—and we are working to make sure this remains the case," Mr. Clark maintained.

He was speaking at the Board's pre-Christmas conference, at which the wine traders repeated their forecast that U.K. table wine sales would soar this year to 450m. bottles, or nine bottles per head of population. This is a 26 per cent jump on the 1972 record year.

The Board also reported there were now more women than men drinking wine in Britain, even though men actually drank more wine.

Red wine is rapidly catching up on white as the most popular style of wine. It now accounts for 43.5 per cent of all wine consumed, with white at 45 per cent and rose at 8.5 per cent.

The Sar Kitten (Kitten on a Balcony) sold to Landman for £20,125. Water Skier fetched £10,000 and Study for the Tit: rotors went for £8,750.

Other prices included \$3,487 for the Regatta, £7,512 each for a pair of Chelsea Lettuce-tourneys and covers, also bought by Winifred Williams, fetched £1,400 gns.

A documentary dessert service decorated by Daley sold for £250 gns. (Johnstone) and a Coalport dessert service, the centres painted with fruit on gold ground for 1,700 gns. (Vandaeur).

The Antique Porcelain Company paid 900 gns. for a Chelsea botanical plate, as did Oliver Sutton for a Bristol figure of a man.

Sotheby's first sale in Australia, at the Sydney Opera House, of paintings and drawings from the studio of Sir William Dobell made £238,530.

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The Sar Kitten (Kitten on a Balcony) sold to Landman for £20,125. Water Skier fetched £10,000 and Study for the Tit: rotors went for £8,750.

Other prices included \$3,487 for the Regatta, £7,512 each for a pair of Chelsea Lettuce-tourneys and covers, also bought by Winifred Williams, fetched £1,400 gns.

A documentary dessert service decorated by Daley sold for £250 gns. (Johnstone) and a Coalport dessert service, the centres painted with fruit on gold ground for 1,700 gns. (Vandaeur).

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PLANT AND MACHINERY

POWER PROBLEMS GENERATORS FOR SALE PROMPT DELIVERY

1 x 150 KVA Deutz diesel generator condition overhauled Price £6,313.99
1 x 120 KVA Mercedes diesel generator condition new Price £7,167.00
2 x 100 KVA Deutz diesel generator condition overhauled Price £4,948.00
All price ex-Continent delivery by road. Certified for immediate use. Up to 100 models available.—For quick service call Commerce International Inc., Princess House, Bagshot, Surrey, Tel. 0276/71033 or Telex 85359 A/B Commerce Bst. Call C.J.J. Now.

LEGAL NOTICES

REPUBLIC OF SOUTH AFRICA

Loan 7.75%—1972/73—US\$ 25,000,000 nominal
The redemption of 15 December 1973 for which a sum of US\$ 1,000,000 is allocated has been completed and the stock exchange.

Payable Agents
BANQUE DE PARIS ET DES PAYS-BAS
FOUR LE GRAND-DUCHÉ DE LUXEMBOURG

COMPANY NOTICES

THE SOUTH AFRICAN BREWERIES

(Incorporated in the Republic of South Africa)

CLOSING OF REGISTERS

The Registers of Ordinary Shareholders of the Company will be closed for the purpose of the dividend payable on 15th December 1973. The closing of the registers will be on 14th December 1973, at 5 p.m. in the City of Johannesburg.

By Order of the Board

J. C. WAGG, Secretary-Treasurer

15th November 1973.

FEDERATED STORES LIMITED

(Incorporated in the Republic of South Africa)

CLOSING OF REGISTERS

The Registers of Ordinary Shareholders of the Company will be closed for the purpose of the dividend payable on 15th December 1973. The closing of the registers will be on 14th December 1973, at 5 p.m. in the City of Johannesburg.

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15th November 1973.

REPUBLIC OF IRAQI PORT

ADMINISTRATION—JASSEM TUNDE

NO. 12725 FOR THE SUPPLY OF 12 TONS OF TWELVE MOORING

1. The tender must be submitted to the Administration of the Port of Basra, Iraq, by 15th December 1973.

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OIL CUTBACK: List of priority users • How industry will be hit • Likely U.S. measures

Walker announces priority list to protect essential users

Peter Walker, Secretary for Industry, said today that he had announced a list of priority users of oil to the House of Commons.

Mr. Walker said: "We have decided from tomorrow (Tuesday) that deliveries made by the oil companies to their customers will be cut by 10 per cent. The exception of public transport will be based on the consumption in the corresponding month of last year. Suppliers will work out the allocations from their records and will notify each consumer."

Mr. Walker said that he would discuss the decision tomorrow in the House of Commons. He said that the cut would be based on the consumption in the corresponding month of last year. Suppliers will work out the allocations from their records and will notify each consumer.

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The priority uses

functioning of Government establishments; operations of the Armed Forces; operation of agricultural tractors, mowers and equipment used in the production of food; in milling, including the production of bread, rusks or flour; production, processing or storage of milk or milk products; processing of oil seed, oil refining, fat melting, the manufacture of soap, lard, cooking fat or oil; slaughtering of livestock, including the production, treatment or storage of petroleum or petroleum products; getting, dressing, manure or preparation for sale of wool; extraction of coal from coal workings; production and supply of gas; production and supply of electricity; operation of emergency services; production of iron and steel.

The production of castings, forgings and other basic forms of ferrous and non-ferrous metals; The smelting and refining of aluminium; The production of chemical substances derived from petroleum feedstocks; The manufacture or processing of medical or pharmaceutical supplies and appliances, excluding cosmetics and toilet articles; The operation of railways, including both the underground and surface railways operated by London Transport; The bunkering of fishing and coastal vessels, including scheduled ferry services; Lighthouse, pilotage and marine search and rescue operations; The operation of airports and supporting services, including safety services, aircraft maintenance facilities, air traffic control centres, air navigation obstruction lighting and communications, radar and navigational facilities located throughout the country; Telecommunications services (including broadcasting); The operations of the Post Office, the British Broadcasting Corporation, the Independent Broadcasting Authority or any programme contractor within the meaning of the Independent Broadcasting Act, 1973; The printing of daily, weekly and evening newspapers and all newspapers normally published on Sundays, the primary purpose of which is in each case the dissemination of news; The collection or disposal of refuse, including toxic waste; The purposes of cremation; Hospitals or Nursing Homes; Community health services, educational services or social services certified by the Department of Health and Social Security or by local authorities as dependent on oil for space heating and as essential to the well-being of the elderly, the mentally disabled, the chronically sick or the physically handicapped; The operations of water undertakings; The operations of sewerage or sewage disposal undertakings; The operations of drainage authorities; The operations of river authorities; The operations of Police Forces; The operations of the Fire Services.

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AD AND RAIL

Road freight to be curbed

exemption of public transport from the 10 per cent. cut supplies should mean that bus, and underground services are unaffected. But the amount of freight by road will be cut.

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How petrol can be saved

The Automobile Association last night issued figures to show how petrol can be saved by a car travelling at 50 mph instead of 70 mph—the average saving is 10.7 mpg.

	50 mph	70 mph	Difference
Car	44.5	34.0	10.5
Mini 850 cc	44.4	33.9	10.5
Vauxhall Viva 1100	44.4	33.9	10.5
Austin 1100	44.4	33.9	10.5
Ford Escort 1100	41.6	31.1	10.5
Ford Capri 1300	36.3	25.8	10.5
VW 1300	36.6	26.1	10.5
Triumph 1500	34.2	23.7	10.5
Hillman Avenger 1500	35.6	25.1	10.5
Austin Maxi 1750	37.0	26.5	10.5
BMW 2000	39.2	28.7	10.5
Triumph 2000	37.7	27.2	10.5
Rover 2000	37.7	27.2	10.5
Jaguar XJ 4250	22.0	11.5	10.5

such as loading and unloading times and lorry diversion routes," he said last night. He also pointed out that heavy lorries, which are at present limited to a 32-ton gross weight, could carry more freight for much the same fuel consumption if they were permitted to operate at their full design weight during the period of oil restrictions.

Although British Rail is exempt from the cut-back in oil deliveries, the scope for transferring road freight traffic to British Rail is limited.

SHIPPING

THE British shipping industry will be seeking to-day "clarification of the Government's 10 per cent. cutback provisions so far as it applies to fuel (bunker) supplies to U.K. ships," said the U.K. Chamber of Shipping.

Before the Government announcement, it had already been arranged that a delegation from the U.K. Chamber of Shipping would see officials of the Department of Trade and Industry tomorrow to express its concerns over the probability of a shortage of oil fuel (bunkers) to operate its ships.

This arrangement followed a meeting in London yesterday of representative shipowners, called by the Chamber of Shipping.

EMICALS

Early effect on customers

MIN'S chemical and allied products with an output of £2,000m. a year, will be the most affected immediate.

Industry, as a primary supplier to manufacturers and users at large, has been in the list of priority users which could help to alleviate the situation at a later date.

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Sharp cutbacks expected soon in U.S.

BY ADRIAN DICKS

THE WHITE HOUSE is expected to announce shortly a ban on Sunday petrol sales and sharp reductions in the use of home heating oil, according to Dow Jones.

In addition, it is anticipated that the President's emergency action group, headed by Mr. John Love, will order reductions in the use of electric power by homes and by commercial establishments.

The Nixon Administration is also asking airlines to cut back their scheduled flights still further, in a new package of mandatory energy-saving measures.

One of the President's senior energy policy advisers, Mr. Charles DIBONA, told a Congressional sub-committee today that most recent estimates project a 10 per cent. oil shortage during the current quarter and a 17 per cent. shortage during the first quarter of 1974.

As a result, further measures would have to be taken very soon "beyond those put forward less than two weeks ago. Among the steps being considered are a ban on Sunday driving and on fuel for private boats and aircraft, a legal limit of 68 degrees for domestic thermostats, and regulations to

close filling stations and other retail businesses at week-ends. Mr. DIBONA also said that the Administration was working on a rationing system, though he said that "if we can take other steps, we should."

On Saturday night, President Nixon made clear once again his own opposition to rationing, but Mr. DIBONA's remarks this morning in answer to questions from Senator Hubert Humphrey left the impression that the Government remains divided on the issue.

While Mr. DIBONA and Mr. John Love at the White House appear to be moving towards it reluctantly, Mr. George Shultz, the Treasury Secretary, and other members of the economic team are more in favour of a tax on consumption. A third school of thought, which includes the Secretary of the Interior, Mr. Rogers Morton, would have figures based on the assumption of "normal" weather.

PETROL RETAILING

Suppliers study how to apply restrictions

PETROL COMPANIES which welcomed the Government's move as a first step in the rationing of oil, are now studying how to apply the restrictions.

Motorists may be restricted in the amounts they can buy—such as four gallons at a time. Some petrol stations may be open for fewer hours than normal, in order to prevent selling out stocks too quickly.

A few smaller companies have already been issuing "passes" to regular customers so that they receive priority treatment.

One particular problem could arise with self-service petrol stations. The amounts sold can be regulated from a central panel although, here again, the problem may be overcome by shortening the opening hours.

Oil companies supplying more than half of the U.K.'s petroleum supplies last night favoured the Government's action.

Shell-Mex and BP, responsible for about 40 per cent. of the accepted by the Association.

U.K. consumption of oil products (m. tons)

	Burning oil	Vaporising oil	Gas/Diesel oil	Fuel oil	Transport oils	Butane Propane	TOTAL 1972 (1971)
Agriculture	0.01	0.03	1.17	0.35			1.56 (1.41)
Iron and steel			0.48	4.42			4.96 (5.21)
Other industries	0.42		5.52	14.67		0.95	21.56 (20.72)
Railways	0.01		0.93	0.08			1.02 (1.08)
Road transport					20.82		20.82 (19.84)
Water transport			0.66	0.22			0.88 (0.99)
Air transport			0.84	0.08	4.01		4.01 (3.75)
Domestic	2.43		2.12	2.42		0.07	3.42 (2.96)
Public services	0.01		1.49	1.16			4.55 (4.48)
Miscellaneous			0.05	0.12			2.65 (2.54)
Gas making			1.62	17.12			0.17 (0.15)
Electricity			0.93				18.74 (14.82)
Water supply			0.12	6.72			0.03 (0.03)
Refining							6.84 (6.60)
TOTAL	2.88	0.03	15.03	47.36	24.83	1.08	91.21 (84.68)

JOINT ANNOUNCEMENT

NEDBANK LIMITED (NEDBANK)

NEDFIN LIMITED (NEDFIN)

SYFRETS AND UAL HOLDINGS LIMITED (SYFRUAL)

The Boards of Directors of Nedbank, Nedfin and Syfrual have reached agreement on the merger of the three groups of companies.

It is proposed, for technical reasons, that Syfrual will be the corporate vehicle to effect the merger and that its name will be changed to Nedbank and Syfrets-UAL Holdings Limited.

Shareholders in Nedbank will be offered 326 shares in Syfrual for every 100 shares held in Nedbank and shareholders in Nedfin (other than Nedbank) will be offered 135 shares in Syfrual for every 100 shares held in Nedfin. The Nedbank shareholding of 48,78% in Nedfin will be acquired by Syfrual for cash.

In determining the basis of exchange of shares, account was taken of:

- (1) the projected consolidated profits after tax of Syfrual for the year ending 31st December, 1973 of R8 million, which are based on Syfrual's policy of full disclosure of profits;
- (2) the consolidated profits after tax of Nedbank for the year ended 30th September, 1973 of R12 million, which are based on the intended policy of fuller disclosure of profits of all companies within the Nedbank group, with the exception of the quoted Rhodesian subsidiary;
- (3) the projected attributable profits after tax of Nedfin for the year ending 31st December, 1973 of R1.8 million attaching to shares not held by Nedbank, which are based on the intended policy of fuller disclosure of profits of all companies within the Nedbank group, with the exception of the quoted Rhodesian subsidiary.

Assuming full acceptance of the offers by Nedbank and Nedfin shareholders and based on the above profits and present issued share capital of Syfrual, the total shares in issue will be:

	No. of Shares	%
Nedbank Shareholders	47 299 141	55.05
Syfrual Shareholders	31 532 761	36.70
Nedfin Shareholders	7 088 427	8.25
	85 920 329	100.00

The financial year-ends of Syfrual and Nedfin will be changed to 30th September, with retrospective effect from 30th September, 1973, and the merger will become effective from 1st October, 1973. Accordingly, Syfrual and Nedfin will shortly be declaring second interim dividends for the period ended 30th September, 1973 of 4.75 cents per share and 3.5 cents per share respectively. Shareholders in Nedbank and Nedfin accepting the offers will not qualify for the aforementioned Syfrual dividend.

It is expected that the merged group will earn profits after tax on a fuller disclosed basis for the financial year ending 30th September, 1974 of not less than R24 million. On the envisaged increased share capital of Syfrual of 85.9 million shares this will result in earnings per share of approximately 28 cents, out of which it is intended that dividends of approximately 14 cents per share will be paid.

Upon the successful outcome of the merger, the board of Syfrets and UAL Holdings Limited, renamed Nedbank and Syfrets-UAL Holdings Limited, will be reconstituted. Dr. Frans Cronje will be invited to be non-Executive Chairman and Mr. L. G. Abrahamse and Mr. G. S. Muller will be appointed Joint Executive Deputy Chairmen. Mr. Abrahamse will deputise as Chairman in Dr. Cronje's absence.

The proposed merger will lead to a financial group of considerable size. However, size alone is not the rationale of the merger. The three companies are complementary and it is foreseen that their combined growth will be even greater than if they continued to operate separately. Their competitive position in Southern Africa will be strengthened and an accelerated involvement in international banking is foreseen. Shareholders will benefit from the foregoing and the internal rationalisation that will be phased over the next eighteen months.

Clients, corporate, institutional and individual, will without interruption continue to enjoy personal, high quality service from the operating companies within the enlarged group in the commercial banking, merchant banking, general banking, trust and other fields.

The listings of Nedbank, Nedfin and Syfrual have been reinstated on The Johannesburg Stock Exchange.

The necessary documentation relating to the merger will be prepared and forwarded to the shareholders of Nedbank, Nedfin and Syfrual as soon as possible.

Johannesburg
15th November, 1973

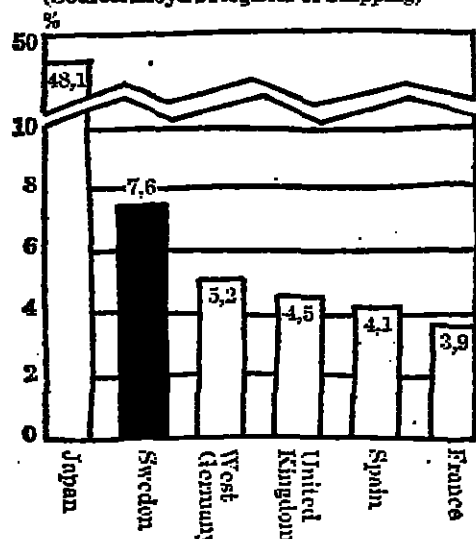


Why the Swedes are such great shipbuilders.

And how to profit by it.

Sweden. Not one of the bigger nations in this world. Situated way up north on the World Map. Inhabited by not more than 8 million people. And yet we're a strong number two among the world's shipbuilding nations. Outranked only by Japan (pop. 110,000,000).

Output (ship completions) from the world's leading shipbuilding nations 1972 in per cent (Source: Lloyd's Register of Shipping)

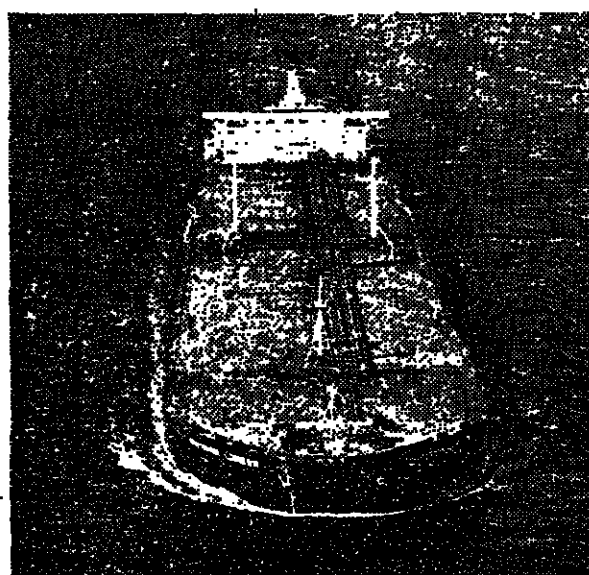


How did that happen?

The answer is of course a compound of many factors, and if shipping is a part of your future you should know something about a few of them.

In the first place, nobody puts his money with us just for the sake of our big blue eyes. People bank on a reputation, a reputation earned through hard work, skill and reliability. We don't waste time. And we don't lose it. Strikes are a rarity in Sweden.

Every Swede knows that exports are the key to maintaining our standard of living, our educational system and our health service, all of which are generally considered to be among the best in the world. Among other things, they provide the skilled, reliable and determined people required to handle the complex work of building the technologically advanced ships of today.

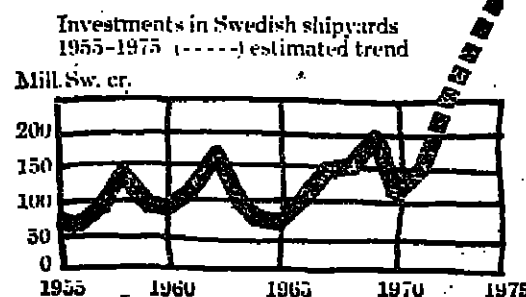


And of tomorrow. It's no accident that in terms of tons gross per employee Sweden has the highest production ratio in the shipbuilding world.

Output in tons gross per employee from Swedish yards 1972.

100 TONS GROSS PER EMPLOYEE.

The rate of investment in Swedish shipyards is very high, since we're fully aware of the need for keeping ahead technologically. Today we have two yards capable of handling ships of 500,000 tdw and other yards are soon to follow. Kockums in Malmö is erecting what will be the world's largest Goliath-crane, with a lifting capacity of 1,500 tons, in order to increase and streamline the yard's production capacity.



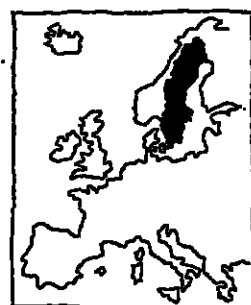
And we're very lucky to have access to high-quality steel and to some of the world's finest engines and engine components, manufactured by internationally known Swedish companies.

It all adds up to success. For us and for you. Last year, the Swedish shipyards delivered 48 ships with a total of 1.9 million tons gross. Ships of almost every description and dimension, from Very Large Crude Carriers to chemical tankers, Ro-Ro ships and tugboats. These ships were ordered by buyers from all over the world: from the U.K., Norway, India, France, the USA etc and (of course) from Sweden. We were also very busy repairing and rebuilding ships of all types, and we kept right on manufacturing ship engines.

The gross value of all this was more than 3.3 billion Swedish crowns (US \$ 800 million).

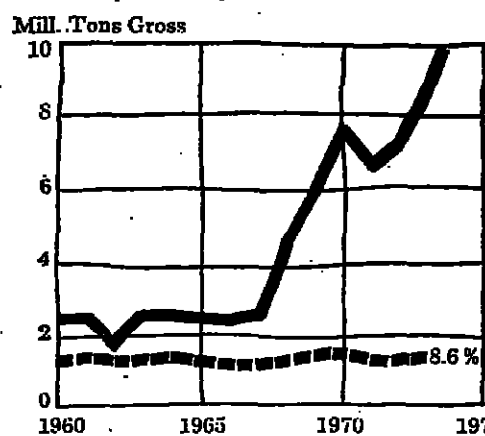
Member yards in the Swedish Shipbuilders' Association.

- | | |
|--------------------------|------------------------|
| 1. Eriksberg | 9. AB Lööse Varf |
| 2. The Göta Verken Group | 10. Möhög |
| 3. Kockums | 11. AB Nya Sjövarf |
| 4. Uddevalla Varf AB | 12. AB Oskarshamn Varf |
| 5. Falkenberg Varf AB | 13. AB Älvsjö Varf |
| 6. AB Finnboda Varf | |
| 7. Kalmar Varf AB | |
| 8. Karlskrona Varf AB | |



As we go to press, Swedish shipyards have a backlog of orders totalling approximately 10 million tons gross. And if we read the signs correctly there are more to come.

Ships on order at Swedish yards 1960-1973 (September 1) (—) and in per cent of World Order Book (---) Approx. 80 per cent is for foreign customers.



Well, there it is. Reliability, determination, skill, smooth operations.

And now you know why you'll profit by investing your shipbuilding money in Sweden. Because you can be sure that your ship will be a high-quality product, made by people who know what quality means. And you can also be sure that you'll get a good price and a fair deal. The gift-edge on the deal is the fact that you'll have your ship on time. Most probably ahead of time.

There aren't very many of us, but we like to think that we know just about all there is to know about shipbuilding. And we've got the muscles to put our knowledge to work. We'll be happy to tell you more about shipbuilding in Sweden. Just use the coupon below. If you're in a hurry, you can ring us on the Hot Line, Sweden 031/23 43 70.

The Swedish Shipbuilders' Association

To The Swedish Shipbuilders' Association
Fack, S-402 70 Gothenburg 2, Sweden

Yes, I'd like to know more about what Swedish shipbuilders can do.

I'm especially interested in ships of the following type(s) and dimension(s):

Name _____
Company _____
Address _____
Country _____

THE OIL CUT-BACK

Arab oil States press Japan to break ties with Israel

BY RICHARD JOHNS

VIENNA, Nov. 19.

ARAB oil-producing States are aiming to pressurise Japan into breaking off diplomatic relations with Israel through the new policy of selective sanctions against consuming countries.

At this stage the thinking is that the carrot of exemption from cutbacks in oil supplies should be offered to countries which are prepared to undertake positive actions in favour of the Arabs and against Israel.

A clear indication of this strategy was given by Sheikh Ahmed Zaki al-Yamani, Saudi Minister of Oil, when he said here to-day: "Those countries now affected by the reductions will be exempted from them on condition that they assist Arabs in a significant manner and force the Israelis to leave occupied Arab territory."

probably be called in the next two months to review the prices issue. Then it will probably be a matter of OPEC approving a decision taken by the six Gulf States and giving collective moral support for it.

But the Gulf countries want to get some kind of mutual agreement with the oil companies on a rational and "just" system for measuring actual market values.

The six Gulf producers have established the principle that in future the posted price (tax reference) for any crude oil will be at a level of 40 per cent above the market price—however, the latter is defined.

Arab oil States, meanwhile, have been given some latitude for interpreting and implementing yesterday's OPEC resolution.

However, most Arab oil exporters are expected to make their production cuts on a pro rata basis, deducting the proportion of oil which normally would have been shipped to Common Market countries, less Holland, from the 5 per cent cut ordered.

Thus, the decision to give special treatment to the European Community in response to its pro-Arab statement of November 6 should, overall, mean that more oil is available.

With Iraq refusing to join in the collective policy, the loss to total supplies should be more like 2.5 per cent.

Peace talks

Japan could not help militarily but could break off relations with Israel, he explained. The implication was that this would give Japan the favoured nation status extended yesterday to members of the European Economic Community with the exception of Holland.

The feeling here is that Japan, with its heavy dependence on Arab oil, will be forced to give way and sever diplomatic links with Israel even though giving way like this would involve a considerable "loss of face."

In view of the oil weapon, Arab oil-producing States currently do not appear to be calculating with any precision beyond next month when the first round of peace negotiations should, if all goes well, take place in Geneva.

In an interview here, Mr. Abdel Rachman Attiqi, Kuwaiti Minister of Finance and Oil, said a relaxation of cutbacks in production could be extended beyond December and the list of exemptions enlarged to include other countries. But this would be dependent on a successful outcome to next month's peace talks.

Arab oil producers would be looking forward to a firm plan, setting dates for Israeli withdrawal from occupied Arab territory.

Arab Oil Ministers or their deputies are assembled here for a conference of the Organisation of Petroleum Exporting Countries. This is a routine semi-annual gathering but it was expected that there would be a discussion in the wider OPEC forum of oil taxation levels following the rise in realised prices which has inevitably resulted from the production cuts.

In fact, there will be no detailed discussion about the level of posted prices and their relationship to actual market values. Economic experts of the six Gulf countries immediately involved have by no means completed their work.

The Arabs and Iran have both shown concern to keep the price issue separate from the use of the "oil weapon."

According to one Minister, a special conference of OPEC will

ELECTRICITY

Power not to be hit immediately

THE oil cutback is expected to have little if any immediate effect on electricity generation. The central Electricity Generating Board is planning to burn over 20 per cent less oil this winter than in the same period last year, and the South of Scotland Electricity Board said the cutback would not have any marked effect on the level of its electricity output.

Both the CEBG and the SSEB could be seriously affected by the oil cutback if the miners' dispute drags on long enough to reduce coal stocks to a minimum. Without Government intervention with the oil companies, they would be unable to run their oil plant as base load for very long.

MOTORS

Concern over components

THE motor industry appeared, last night, to be unperturbed by the likely impact of the 10 per cent cuts on either its sales or production activities. The one area which does provide some cause for concern is in the transport of components between plants and of cars and trucks for final delivery to dealers.

The industry, a heavy user of power in its foundries and transfer lines, has long ago recognised the dangers of reliance on a single fuel. Most companies have taken steps to spread their fuel usage between oil, gas, coal and electricity even to the extent that individual foundries often work on two or more fuels.

Transport is a more serious matter for the industry depends entirely upon a regular daily flow of a mass of components from outlying plants to maintain its momentum. But the motor industry is one of the biggest users of the railways—the hauls from Halewood to Dagenham, from Swindon to Longbridge and from Linwood to Coventry to take just three examples—are almost entirely rail-borne. Where parts do arrive by truck or where cars are delivered by road, the industry conceded that there might be problems.

IN THE SUPREME COURT OF SOUTH AFRICA (WITWATERSRAND LOCAL DIVISION)

In the matter of the application of:—

FEDERATED STORES LIMITED Applicant

(Incorporated in the Republic of South Africa)

NOTICE is given in terms of an Order dated 13 November 1973 in the above matter that the Supreme Court of South Africa (Witwatersrand Local Division) has ordered that the following meetings of shareholders of the abovementioned applicant, Federated Stores Limited ("the company"), be held on Wednesday, 12 December 1973, at the undermentioned times at The South African Breweries Limited, 2 Jan Smuts Avenue, Braamfontein, Johannesburg, under the chairmanship of Arthur Jacob Aaron (or failing him, another partner in the firm of Werksmans nominated by it for that purpose):—

1. A meeting of ordinary shareholders (other than The South African Breweries Limited ("SAB") and shareholders in which SAB is directly or indirectly interested) at 9.30 a.m. on the aforesaid date for the purpose of considering and, if deemed fit, approving, with or without modification, a scheme of arrangement between the company and its ordinary shareholders (other than SAB and shareholders in which SAB is directly or indirectly interested), which scheme of arrangement will be submitted to such meeting.
2. A meeting of 5% cumulative preference shareholders at 9.45 a.m. (or immediately after the conclusion of the meeting of the ordinary shareholders referred to in 1, whichever is the later time) for the purpose of considering and, if deemed fit, approving, with or without modification, a scheme of arrangement between the company and its 5% cumulative preference shareholders, which scheme of arrangement will be submitted to such meeting.
3. A meeting of 6% redeemable second cumulative preference shareholders at 10.00 a.m. (or immediately after the conclusion of the meeting of the 5% cumulative preference shareholders referred to in 2, whichever is the later time) for the purpose of considering and, if deemed fit, approving, with or without modification, a scheme of arrangement between the company and its 6% redeemable second cumulative preference shareholders, which scheme of arrangement will be submitted to such meeting.

Copies of the schemes of arrangement and explanatory statement in terms of section 103(1) of the Companies Act No. 46 of 1926 (as amended) explaining those schemes may be obtained on request from the company's registered office at 64 Eloff Street, Johannesburg, and its London transfer secretaries, Hill Samuel Registrars Limited, 6 Greencoat Place, London SW1P 1PL, and from The South African Breweries Limited, 2 Jan Smuts Avenue, Braamfontein, Johannesburg, during normal business hours.

Each ordinary shareholder (other than SAB and shareholders in which SAB is directly or indirectly interested), 5% cumulative preference shareholder, and 6% redeemable second cumulative preference shareholder, may attend and vote in person at the respective meetings, or may appoint any other person (who need not be a member of the company) as a proxy to attend and speak and vote in such shareholder's place. The required proxy form/s also may be obtained on request from the company's registered office, its London transfer secretaries, and The South African Breweries Limited. Each signed proxy form must be lodged with the company's transfer secretaries, Hill Samuel Registrars (S.A.) Limited, Ground Floor, The Corner House, 63 Fox Street, Johannesburg (PO Box 62318, Marshalltown, Transvaal), or (except in the case of 5% cumulative preference shareholders) Hill Samuel Registrars Limited, 6 Greencoat Place, London SW1P 1PL (or posted to be received) by not later than forty-eight hours before the holding of the meeting. The vote of the senior of joint holders (for that purpose seniority will be determined by the order in which the names of the joint holders stand in the company's share registers) who tender a vote in person or by proxy will be accepted to the exclusion of the other joint holders.

In terms of the abovementioned Order of Court, the chairman of the meetings will report the results thereof to the above Honourable Court on 18 December 1973.

The schemes of arrangement are subject to their being sanctioned by the above Honourable Court and to the conditions stated in clause 6 of each of the schemes.

A. J. BEHRMANN
OF WERKSMAANS
6th and 7th Floors
Avril Malan Building
57 Commissioner Street
Johannesburg

Johannesburg
19 November, 1973.

A new assurance company is only as good as the people who run it.

Very true! Also important, however, is the backing in terms of finance and investment skill. The new Charterhouse Japhet Life Assurance Company has both.

It has the security of a £60,000,000 public-owned company. Plus the financial expertise of merchant bankers, Charterhouse Japhet. One of the city's oldest and most respected merchant banks.

Following the current success of the annuities we are writing, we have formed an organisation designed to operate on a much wider platform within the assurance market.

This pedigree does not mean that Charterhouse Japhet Life Assurance Company is yet another impersonal, formal assurance company, however. In fact, it consists of a group of very experienced individuals skilled in imaginative investment techniques. People whom you'll be hearing from in the near future.

This is what General Manager Derek Stevenson and Chairman Christopher Taylor-Young, shown opposite, have to say:

"Insurance used to be about mortality tables; now it's more to do with investment performance. To help achieve our investment performance we have at our fingertips the resource of an international industrial and financial organization."



CHARTERHOUSE JAPHET
LIFE ASSURANCE COMPANY LIMITED

1 Paternoster Row, St. Pauls, London EC4P 4HP. Telephone: 01-248 3999.

FILM AND VIDEO

BY JOHN CHITTOCK

The City hides its face with a grin

AS ABOUT the City of London as a financial and commercial centre show what one might expect: a national institution steeped in history and tradition, caught up in change, struggling to be with it, often succeeding, but at other times finding the strain too much.

The films of the London Stock Exchange have displayed this more obviously than any other, beginning with *My Word is My Bond*—made 15 years ago a time when the City was finding its way to a public that was finding a broader interest in company affairs.

At about this time, Barclay's Bank was opening the eyes of the City to an appalled wealth of new customers—young people—and its brilliant cinema commercials had a bull's eye.

Alive to its new challenge the City Exchange sponsored *My-Go-Round*, a kind of *My Word is My Bond*—but on London's South Bank and in the City, like British musicals, it imitates the better American product, very flat.

The latest Stock Exchange film, a complete remake of *My Word is My Bond*, puts the City fully back. Its style avoids the attempt to break new ground and even the producer the same man who made the *My Word is My Bond*—Robert Angell.

Similar trends have appeared in the major actors and actresses as well as in the film sponsor. *My Word is My Bond* and *My-Go-Round* were made by the same man who made the *My Word is My Bond*—Robert Angell. It all ends happily, but in the telling farmers and students, while it makes for excellent viewing.



Giant beams and an office full of bleating sheep feature in this new film from Barclays Bank, *Jack's All Right*.

National Provincial, Westminister and Lloyds were almost totally inactive. Come the marriage which formed NatWest, however, and films have started to appear—at first uncertain but now claiming attention.

The latest from NatWest, *How Would You Like It?*, deals with the behaviour of cashiers towards customers (a theme once tackled very well by *Barclay's*). This uses professional films made by the major actors and actresses as well as in the film sponsor. *My Word is My Bond* and *My-Go-Round* were made by the same man who made the *My Word is My Bond*—Robert Angell. It all ends happily, but in the telling farmers and students, while it makes for excellent viewing.

films that adopt a dramatised style, especially when humour is added. When I heard that the latest film from Barclays Bank, *Jack's All Right* told the modernised fairy tale of a farming customer who grows a giant runner bean—and how the Bank helps him to exploit it—I muttered polite interest and kept my eyes down. When I saw the film a few weeks later, I knew that banking would never be quite the same again. This zany film is both funny and informative, and even succeeds in making a point by filling a bank manager's office with real bleating sheep.

More films from the City and its institutions are on the way. Pending is a premier of the new Capital City, and both the Bank of England and the London Stock Exchange have further films in preparation. The Financial Times, following the recent release of *How to do Business with the French*, is continuing the series—with the Japanese and Germans next in line for scrutiny of their business styles.

The main criticism that can be made is that the City has motorway construction contract assiduously avoided controversial films and has yet to make a film about itself that penetrates intelligently beneath the surface. By making dramatised films, humorous episodes, swinging documentaries, the City is still apparently unwilling to face its true self on film.

As an example of professional Institute underline this skill in its own new film *The Magic of the Averages*. This is a recruitment film, demonstrating through a motorway construction contract some of the many careers which insurance involves. Again product to portray, the City has its fessional actors are mixed with genuine employees on the job; and curiously has succeeded more often than most and again, the result is convincing and enjoyable to view. Such success runs counter to The Chartered Insurance expectations about sponsored face its true self on film.

SOCIETES REUNIES D'ENERGIE DU BASSIN DE L'ESCAUT

EBES

Société Anonyme

NOTICE TO SHAREHOLDERS

Shareholders of the Company have approved the issue of 1,330,000 new shares of no par value. Holders of existing shares are to have the right to subscribe to new shares, in the proportion of ONE new share for every SIX shares held, at a price of B.Fr. 2,000 per new share.

The new shares will rank *pari passu* in all respects with existing shares, except that they will be entitled to participate in dividends only as from 1st December, 1973.

Application will be made to the Council of The Stock Exchange, London, for the new shares to be admitted to the Official List.

The following arrangements have been made whereby United Kingdom shareholders may obtain the new shares to which they are entitled:—

Application forms and copies of the Company's notice relative to the issue may be obtained from Banque Belge Limited, 4, Bishopsgate, London, EC2N 4AD.

Coupon No. 26 may be lodged with Banque Belge Limited, between 20th November and 10th December 1973 inclusive, accompanied by application forms duly completed. The subscription price of B.Fr. 2,000 (or sterling equivalent) is payable in full on subscription. In the case of a fractional entitlement, the fractions may be sold or complementary fractions purchased at the request of the shareholder.

PAHANG CONSOLIDATED CO.

The 67th annual general meeting of The Pahang Consolidated Company, Limited, was held on November 17 in Kuala Lumpur.

The following are extracts from the circulated statement of the Chairman, Mr. J. J. Raper, BA (Cantab.), for the year ended 31st July, 1973:

Your Company was granted a change of residence from England to Malaysia on 1st February, 1973.

The main points of the year under review were:—

Though ore reserves decreased by 57,017 metric tons, the average grade increased resulting in the contained tons of iron ore increasing by 359.32 metric tons to 11,709.36 metric tons.

Costs held reasonably well during the year considering the sharp increases in the prices of spares and machinery.

Profit for the year under review including exceptional items but before taxation amounted to \$9,303,594 (£1,661,458) compared to \$3,698,162 (£543,027) in 1972.

Your Board has proposed for 1973 the same final Ordinary dividend as last year, 17%. This makes a total dividend on the ordinary Capital of 20% for the year.

The Pahang Consolidated Company Limited entered into an agreement with Jardine, Wauchope, Sdn. Bhd. and Jardine, Wauchope Properties Sdn. Bhd. for the sale of the whole of the issued Share Capital of its wholly-owned subsidiary, the Kuala Lumpur Rubber Estates Limited for a cash consideration of approximately M\$8,500,000. The proceeds of this sale will be applied to expanding the tin mining activities of Pahang.

Initially, M\$700,000 will be used in sinking the Gakak Shaft and M\$1,000,000 for the new Heavy Media Separation Plant at the Mill, which should enable throughput to increase by some 25% when fully operational.

Footwear Industry Investments Limited

RECORD SALES AND PROFIT IN FIRST YEAR AS PUBLIC COMPANY

	1973	1972
Turnover	4,356,075	2,988,285
Profit before Tax	419,308	202,312
Profit after Tax	237,016	123,701
Earnings per Share	7.4p	3.9p

From the Statement by the Chairman, Mr. M. Sumray:

"The Directors are very confident of the future progress of the Company."

Arbuthnot Latham

INTERIM REPORT

The unaudited profit of Arbuthnot Latham Holdings Limited, after tax, for the first half of the year to 30th September 1973 shows an increase compared with last year.

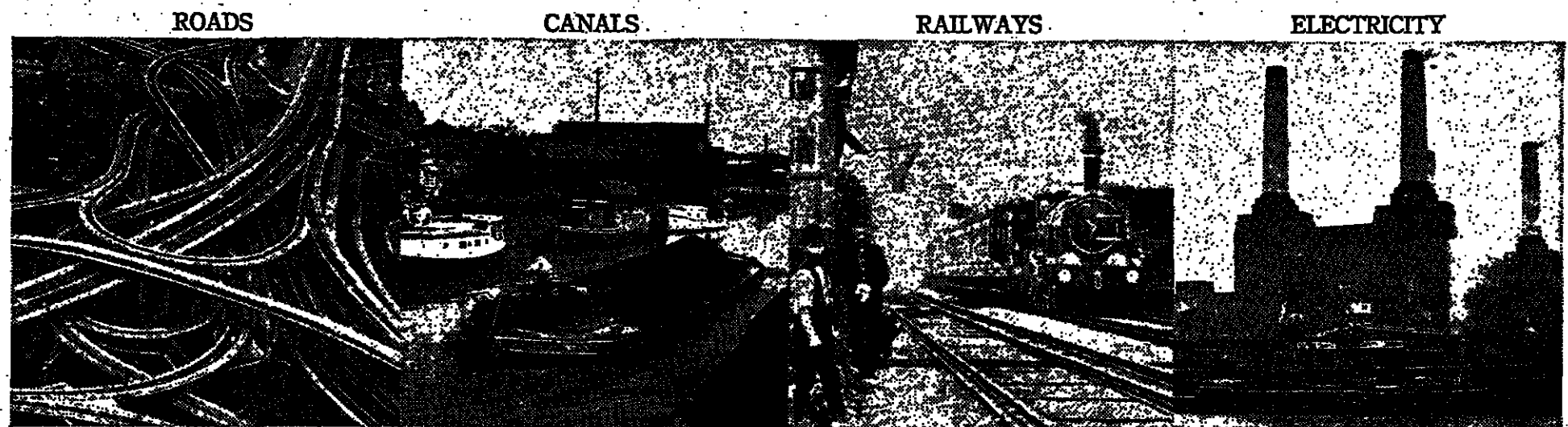
Until the effects of the Government's recent measures have begun to work through the economy it will be too early to predict the outcome of the full year but the Directors state that good progress is being made.

An interim dividend of 2.695 per cent. has been declared on the fully paid ordinary shares. After taking account of the imputation tax credit the interim dividend amounts to 3.85 per cent, the same as last year.

J. F. Prideaux,
Chairman.

9th November 1973.

WHICH NETWORK HAD THE FASTEST GROWTH AND THE LEAST TO SHOW FOR IT?



All the distribution systems shown here have had a vital effect on the life of Britain.

But some of them have taken somewhat longer than others to develop.

Our network of roads, for instance, was pioneered by the Romans two thousand years ago.

But the national motorway system is not yet complete.

The Romans, too, built our first canal, the Fossdyke, way back in AD 65.

But it took a further one thousand, seven hundred and seventy years to complete the waterways system.

The march of progress of the railways was somewhat swifter.

In 1830 the Liverpool and Manchester Railway was opened with a fanfare of trumpets by the Duke of Wellington.

Yet in spite of the 'railway mania' of the last century it took another sixty-two years to achieve a uniform gauge; a further thirty years to Amalgamation and a further twenty-five years before rolling stock could travel everywhere.

One hundred and seventeen years in all. The Thames Embankment was lit by electricity in 1898. But it took a further

sixty years for the national grid to be connected up.

The natural gas grid, by comparison, has been established with remarkable rapidity.

The first high pressure pipeline was laid in 1964 to distribute natural gas from the Sahara.

The next year natural gas was discovered in the North Sea.

Now, less than ten years

later, two thousand miles of high pressure transmission mains have already been laid bringing the benefits of natural gas to the homes and industries of Britain.

The experience gained in creating this network will be invaluable in the massive operation now required to bring the vast new reserves secured from the Frigg field into the energy pattern of Britain.

This alone will produce as much gas energy as was distributed by the old gas industry before going natural.

But once again there will be little to show for it. Because gas goes underground and causes no pollution.

That's progress.

BRITISH GAS
Our Vital Industry

Brooke Bond Liebig Expectations exceeded

Principal features:	1972	1973
Sales	£263 million	£306 million
Group profit before tax	£14.3 million	£15.6 million
Net profit before extraordinary items	£7.4 million	£10.1 million
Profit attributable to shareholders	£7.7 million	£20.0 million
Capital employed	£126 million	£147 million

Sir Humphrey Prédiaux reports:

World sales for the year to 30th June, 1973 increased by 17% over last year to £306m. Profit before tax for the year—excluding abnormal profits—increased by a slightly smaller percentage from £14.3m. to £15.6m.

Group profit before tax at £19.3m. included £2.7m. arising from a change in the basis of valuing the group's cattle herds. Profit attributable to shareholders was increased by the inclusion of extraordinary items amounting to £9.9m. mainly from the sale of properties and investments, ignoring the effect of the cattle revaluation, net profit before extraordinary items was up by £534,000.

In the United Kingdom the year under review has been one of unsurpassed difficulty for food manufacturers, confronted simultaneously with soaring world commodity prices, accelerating inflation and stringent government price controls.

Against this adverse background, Brooke Bond Oxo were successful in increasing sales turnover with significant reductions in controllable costs and promotional expenditure—a considerable achievement.

The first year of operation of the Meat Division has contributed a substantial profit in the UK.

Good profits from Belgium, Germany and Italy were offset by development losses in France and Spain.

Our Red Rose tea in Canada, already the leader in a highly competitive market, has further improved its position.

In Argentina and Paraguay our ranches enjoyed an excellent year.

Brooke Bond India overcame dull trading conditions arising from the severe drought. The company scored increases in both sales volume and profits. Our tea estates in Asia enjoyed mixed fortunes with overall results considerably lower than in the previous year.

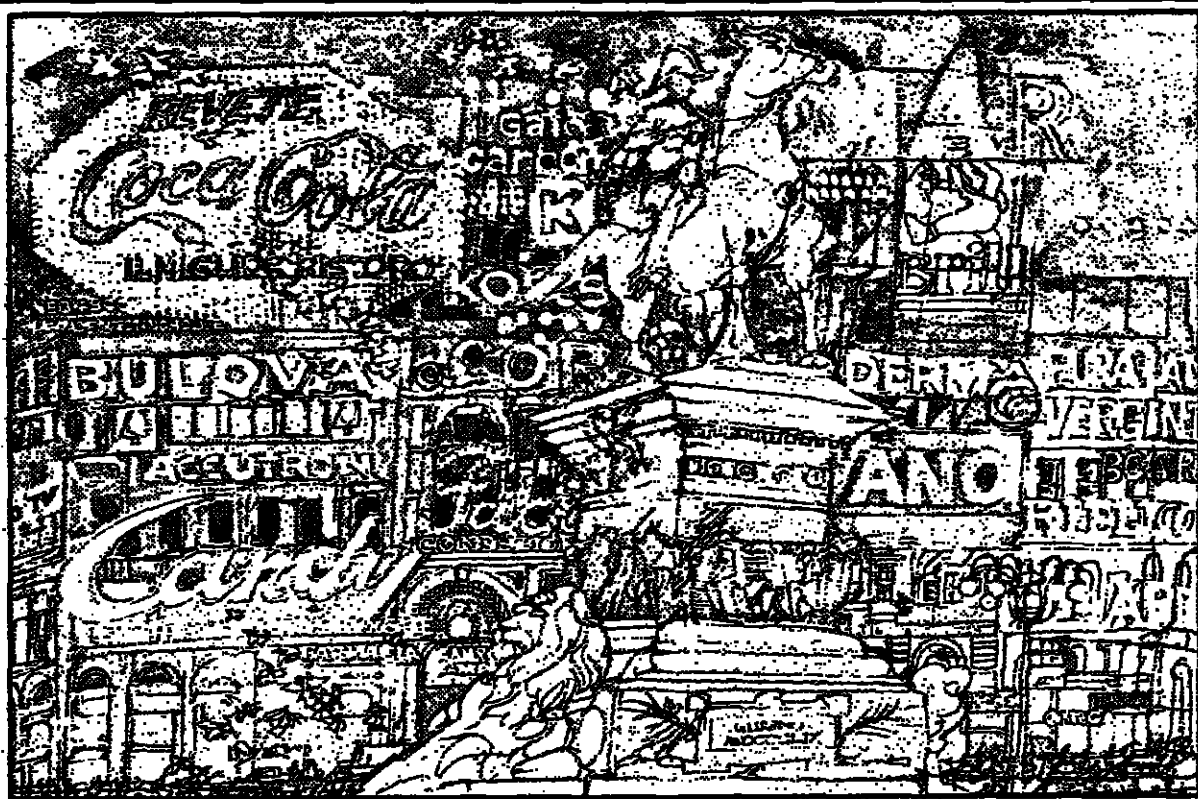
Once again, Brooke Bond Liebig Kenya achieved record profits thanks to increased tea production and local sales.

The Board recommends an increased final dividend of 5.85% net, making a total of 8.45% net for the year compared with a net equivalent of 8.05% under the previous taxation system for 1972.

Brooke Bond Liebig Ltd

Thames House, Queen Street Place, London, EC4R 1DH.

Copies of the accounts including the chairman's statement can be obtained from the secretary.



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WINE

The vintage in Germany

BY EDMUND PENNING-ROWSELL

A VISIT to the German wine areas always has its particular charms. Most of the vineyards are picturesquely sited in a way that many of the French vineyards are not; and the Moselle valley is lovely. Then the wine villages are usually very agreeable and unspoilt but for the articulated juggernauts which block and edge their way along the winding streets more suited as a setting for the second act of Die Meistersinger than for the passage of petrol-belching Fafners.

Finally, and not least attractive in the west, one can drink a considerable amount of the local wine, low in alcohol, without having any consequences in fact later on; though I would not say the same about the cloudy just-fermented grape juice, deceptively sweet but treacherously acid, which the locals down in tumbledowns.

Attractive

Such visits are of course particularly attractive at vintage time, when the wine villages can be recognised "on the nose" by the odour of fermentation and yeast which pervades them. The Kellerweg in Guntersblum on the Rheinhessen Rheinfrost, with almost every house in this narrow street open to reveal a wine press in operation, is a sight to be sniffed as well as seen.

This year, too, the hot dry summer led to a display of autumn colouring in the vineyards that was particularly brilliant. My journey to the Rhine and Moselle was made in company with members of the firm of Sichel now happily reunited in Bordeaux and in Germany, and well-known for their Blue Nun liebfraumilch (though it was tacitly recognised that my taste in German wines is both secular and non-lactic. However, it is true that no wine firm these days can live

by selling fine vintage wines alone, and if an extensive list of estate wines such as I sampled during an intensive week of such cellar-work is viable only when the liebfraumilch provides the bread-and-butter, then there are worse liquid diets than those produced in Mainz, Worms, Coblenz, etc.

The pattern and the results of this year's vintage in Germany are not all that different from those in France. A lack of rain last winter, and indeed in the previous one too, raised some doubts about quantity and quality, then a hot summer raised hopes, which heavy rain in mid-September dashed, although the rain greatly increased the yield. It was told that but for this rain the crop would have been 40 per cent smaller—once again demonstrating the uncertainty of wine production in northern Europe until the gathered grapes are safely in the cellars.

As the German vintage does not finish until the end of this month—and later still for those commercially-minded growers who leave their grapes on the vine in the hope of making high-priced eiswein—the total 1972 quantity is as yet not known, but it is likely to be very near the record of 10m. hectolitres produced in 1970; it might even be more, as again there are accounts of insufficient fermenting vat capacity, although stories, as in 1970 of swimming baths commandeered to hold grape must, have yet to be authenticated.

Heavy crop

The size of the crop was brought home on a visit to the big Wintzenberg estate (operative) in Nierstein, with its 500 members. Normally the vintage takes four weeks, but this year had to be extended to six weeks, with the rotating

presses running to capacity their two-to-three-hour cycles of juice extraction, and the growers being obliged to programme their picking and deliveries to fit in with the press-house. Then the co-operative at Wachenheim, one of the three largest in the Palatinate, was expecting to produce 40,000 hl. of wine from its 300 members' vines, instead of the average of 30,000 hl.

Everywhere the grapes looked very healthy, although in Germany they hope for some of the noble rot which provides the luscious types. This, however, depends on heat combined with humidity, and there has not been much of this combination in the vital autumn weeks, although one iron-nerved grower in Piesport refused to start picking until November 1 in the confident expectation of producing the finer qualities.

Generally, though, there is little expectation of being able to make beerenauslese and trockenbeerenauslese wines. Nor much spätlese and still less auslese for in a diluted vintage like 1972 it is obviously better to try to produce good spätlese than to remove the rather thin layer of higher-sugar-content wines for making a tiny quantity of auslese.

In any case, these higher quality wines—the former Naturwein or Naturrein is now called Kabinett—are, under the 1971 German wine law, far less easily classified at the whim of the producer than they were; they must now conform to minimum must-weights (sugar content) on the oechsle scale which measures specific gravity. These minima are subject to annual adjustments according to the vintage, and vary from region to region, but this year in the Rheinhessen the minimum oechsle reading for a spätlese is 90, although pure riesling wines may be only 85. These minima are higher in the Palatinate, but much lower—73—in the Moselle, where an auslese may be 83, compared with 92 in the Rheinhessen and Palatinate and 95 in the Rheingau.

As inflation is no less a fact of life in Germany than elsewhere, it may be wondered how this stability has been achieved. The answer is that this is the result of higher yields, the reward of greater technical proficiency. Also, under the new wine law the limits of areas permitted to label their wines as, say, Nierstein or Berncastel, have been reduced so that the growers in the more restricted districts have been able to secure higher prices. New grape varieties, secured by crossing, and both early-maturing and large-cropping, have also made a contribution to higher yields.

Big yields

That the crop is enormous may be gauged from the fact that the prolific Müller-Thurgau grape, which normally yields 50-80 hl. per hectare, this year has produced up to 200 hl.—a figure likely to cause the French authorities with their usual 30-50 hl. restriction for appellation contrôlée table wines to swoon away, muttering "water, water." For the minimum alcoholic strength for the finer German wines is only 7 degrees, compared with upwards of 10 in France. This is but one of the many differences in the French and German approach to the control of wine production; and not all have been ironed out, "harmonised" or even finally allowed to vary.



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American Jeep aims to win slice of U.K. Land-Rover sales

BY CHRISTIAN TYLER

THE American Jeep is to be marketed in volume in Britain next month for the first time in its 30-year history. American Motors, which bought the former Willys concern from Kaiser Industries in 1969, is clearly set for a serious challenge to the Land-Rover in its home market.

American Motors aims to sell some 700 units in the U.K. during the first year, with sales building up to a target of 5,000 a year by the end of 1977. Seventeen U.K. distributors with 88 sales outlets between them have been engaged—some of them former Land-Rover franchisees—to sell the two Jeep models which will be imported in right-hand drive versions. The two models are the CJ-5 and a long wheel-base CJ-6. A limited number of left-hand drive Wagoneers—Jeep's nearest competitor to British Leyland's Range Rover—will also be available.

Sales push

Jeeps are priced from £1,572 for the standard soft-top, with a number of cab and other options. The Wagoneer will retail at just under £4,000. The Land-Rover, by comparison, starts at £1,300 and the Range Rover at £2,500. Mr. Don Bennett, head of AMC's British operation, said his company intended to use Britain as a "fulcrum" for a sales push to the EEC countries. He revealed that the company was looking at sites for a British plant that would assemble Jeeps from knock-down parts. It was hoped to build the plant in the next few years. The company is giving no hint where it would be located, but it is believed to be south coast site is favoured. Sales to the EEC through the British plant could reach 10,000 a year in four or five years' time, Mr. Bennett said.

American Motors is also planning to step up European sales of its Gremlin and Hornet sub-compacts (small cars), which the U.S. has contributed to the company's recovery in recent years, and which it expects to sell in even greater numbers because of the fuel shortage. AMC's total car output in the first half of the year was 33 per cent up on the first half of 1972 and demand was still not being met, the company claims.

Waiting lists

Increased output has also been a factor in the decision to bring the Jeep to Britain in quantity. Furthermore the Jeep arrives at a time of long waiting lists in the Land-Rover. AMC is clearly hoping that it will give it a useful initial nudge in sales while the market is being broken in. The Jeep already competes with Land-Rover world-wide, particularly in the under-developed countries. In Britain it may be a customer loyalty to the high successful Land-Rover brand which is being broken in. Jeep is not exactly unknown in the U.K. itself, with a reputation that extends back to the Second World War.

Toiletries 'must look to export markets'

BY RAY DAFTER

THE TOILETRIES sector of the U.K. chemical industry must look to the export market for any appreciable growth in sales, according to a survey published yesterday.

Annual U.K. trade turnover in toilet preparations is around £40m. But, says the Economic Intelligence Unit, which prepared the survey, with limited growth in British sales, companies must look overseas "to provide the jam on the bread." There appears to be at present a very good marketing base from which to achieve this successfully, says the Unit in the latest edition of Chemistry and Industry, the journal of the Society of Chemical Industry.

Major constraint

The toiletries sector of the industry employs almost 6 per cent of the total industry labour force. The limited size of the domestic market was seen as a major constraint, however. The high level of promotion expenditure in past years had had only a degree of success in building up sales. It had been more effective in reallocating demand among competing brands. While the toiletries sector had

grown more slowly than chemicals industry as a whole, prices had grown at a faster rate than many other sectors. Between 1968 and 1972 home market prices of toilet preparations rose by an average annual rate of 6.2 per cent, compared with chemicals (4.5 per cent) and pharmaceuticals (5.5 per cent).

Statistics show that exports have already partly compensated for the lack of growth in domestic demand. Last year, for instance, the toiletries sector exported £28.2m. worth of goods against £2m. worth imported.

U.K. OUTPUT OF TOILET PREPARATIONS (1963=100)		
Year	Toilet preparations	All chemicals
1965	100	117
1966	117	123
1967	122	130
1968	121	140
1969	119	149
1970	123	158
1971	131	160
1972	138	169
1973 (Jan-Mar)	134	178

Source: DTI

TOILET PREPARATIONS HOME MARKET PRICES (1963=100)		
Year	Toilet Prep.	All chemicals
1968	121.2	105.4
1969	124.3	106.4
1970	131.1	111.2
1971	141.9	120.2
1972	154.7	126.3
1973 (Jan-Mar)	160.4	130.0

Source: DTI

Big rise in Italian wool production

BY KEN GOFTON

ITALY, WHICH has the largest No. 287; Wool Industry Bureau of Statistics, 5th Floor, L.L. Europe, also appears to have Bank Chambers, Hustler benefited most from the recent Bradford 1; 42p. high level of demand throughout the world.

According to figures just published by the U.K.'s Wool Industry Bureau of Statistics in Bradford, consumption of all fibres, including synthetics, by the Italian wool sector reached 181.8m. kilos in the first six months of this year—an increase of 18 per cent on the same period of 1972.

By comparison, the British wool industry's consumption of fibres rose by less than 6 per cent, to 148.7m. kilos, and French consumption declined by just over 2 per cent, to 149.8m. kilos. Italy, the U.K. and France are the leading producers of wool textiles within the EEC, by a considerable margin.

The bureau also reports that in January-June this year, Italy's output of worsted and woollen yarns rose by about 18.5 per cent, to 167.8m. kilos, and of woven fabrics and blankets by about 17.5 per cent, to 73.2m. kilos.

U.K. yarn production increased from 114.1m. kilos to 122.5m. kilos, a rise of just over 6 per cent, with woven fabrics and blankets up about 12 per cent, to 41m. kilos. The French picture was more or less static, with yarn output down about 1 per cent, to 83.5m. kilos, and fabric production up about 1 per cent, to 36.3m. kilos.

Figures for the whole of the EEC wool textile industry for January-June this year are: consumption of all fibres, 556m. kilos (up nearly 5.5 per cent); production of worsted and woollen yarn, 501.6m. kilos (up 5.5 per cent); and production of woven fabrics and blankets, 195m. kilos (up nearly 9 per cent).

Monthly Bulletin of Statistics,



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Stock shortage problem faces grocery trade

ELINOR GOODMAN

SEWIVES COULD face a shortage of some leading brands of grocery products this Christmas. A culmination of factors including shortages of packaging, labour, and some crop means that the stock on in the grocery trade is at its lowest for many years.

The situation, already serious, is aggravated by the fact that several supermarket groups in the middle of expansion programmes are now buying up stock on the open market to meet their needs. This has led to a further depletion of stocks.

called

large food manufacturer

orted to have only half the

on its list available for

dictate sale, while many re-

have had to cancel pre-

mas promotions because of

supplies.

last week, Mr. Jim McCarroll,

president of the Wholesale Grocers' Federation, described the position as the "worst since the war". His opinion is supported by several large retailers, including Tesco, though some supermarkets are playing down the situation rather than encourage what they see as "panic" buying.

According to the Food Manufacturers' Federation, the situation is "patchy". Like Fine Fare, the FMF says this means that a housewife may not be able to buy the particular brand she wants, though she will be able to buy an alternative brand.

This situation is demonstrated by Cadbury Foods, which in the last few months has had to de-list several major brands, like drinking chocolate and Bournvita, for several weeks. They are now back on the list as packaging materials became available.

Many retailers are reporting temporary difficulties in getting supplies of such big selling products as breakfast cereals, tea bags and baked beans. Tesco says there are some shortages in almost every major product category.

The glass shortage, for ex-

ample, means that almost all mineral drinks are in limited supply. As a result, Tesco, like most other retailers, has had to drop its usual pre-Christmas promotion. The glass shortage has also led to longer delivery times on beer, jams and coffee.

Pet foods

This shortage, together with scarcity of other packaging materials like tin plate for cans, has meant that Cadbury Foods is now having to wait an average of 20 weeks for essential packaging materials that used to be delivered in six weeks.

Many retailers report shortages of pet foods, where sales are well up on last year. Spillers, one of the two major pet food manufacturers, blames this on two factors: the rundown of stocks before the introduction of VAT, and the shortage of cardboard.

Lack of cardboard means that the company is running out of the outer wrappers in which the cans are sent to the supermarkets. According to Fine Fare a cardboard box now takes 28 weeks to be delivered instead of the normal three or four.

Some supermarkets claim that Britain's entry to the Common Market has also had an indirect effect on the out-of-stock situation. Supplies of tinned and dried fruit from Commonwealth countries are being diverted to new markets outside the EEC.



A \$5m. contract to begin physical work on the Channel Tunnel from the British end was signed in London yesterday.

The ceremony followed last Saturday's signing in London by British and French political leaders of a treaty and commercial agreements authorising work on the next phase of the tunnel.

The new project, which could begin within a week, is the first work on the Channel Tunnel since boring of a pilot tunnel was halted in 1873.

The contract was signed by Lord Harecourt (above left), chairman of the British Channel Tunnel Company, and Mr. David Balfour, chairman of Cross Channel Contractors, a consortium linking the Guy F. Atkinson Company of San Francisco and three British concerns — Balfour Beatty, Edmund Nuttall and Taylor Woodrow Construction.

Covering preparatory and trial works, the contract includes a 2-km. pilot tunnel which is expected to be completed in 20 months.

Good profit seen in resale of tankers

By Our Own Correspondent
SOUTH SHIELDS, Nov. 19.

AT LEAST eight of the 24 tankers ordered earlier this year from Swan Hunter by Maritime Fruit Carriers of Israel are understood to have been resold to other owners at good profits.

The profits, it is understood, are very high, and Swan Hunter has benefited because the deals have been negotiated by Swan Maritime.

This company was specially formed by Swan Hunter and MFC to first order the ships and then sell, lease or trade them.

The Tyne group has a 25 per cent stake in Swan Maritime and expects big profits. Some reference to the sales could be made to-morrow, when Swan Hunter publishes its trading results for the first half of this year. The group had no comment to-day.

The half-time results are said to be good. Swan Hunter is now recovering well from its disastrous shipbuilding losses of more than £10m. during 1969 and 1970.

Last year the group had a net profit of £3.6m. and some reports suggest that the half-year figures for 1973 could come close to this.

The main interest will be in the results — if they are published — of sales of Swan Hunter ships ordered by MFC through Swan Maritime.

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Almost half nation saw Princess wed

PAMELA JUDGE

CESS ANNE'S wedding to and some 200,000 watched BBC's simultaneous coverage. It was not the highest BBC audience of all time — the Joe Frazier title fight in 1971, for example, had an audience of 27m., but other events took place in peak times. There were 21m. viewers for Princess Margaret's wedding to Lord Snowdon in 1960.

The BBC expects to have by 11 a.m. when the Queen's evening programme of last night left the Palace for West-er Abbey. On the BBC's week, Worldwide the audience is rising, ITV's share of the expected to have been some 10m. never rose above 4.5m. 550m.

Higher wool prices hit carpet manufacturers

KEN GOFTON

ET MANUFACTURERS in level of 34.6m. kg., which in turn countries have reacted was well below the branch at higher wool prices, the target of 37.3m. kg. However, national Wool Secretariat an increase in imports may mean in London yesterday, that wool's share of the market is from IWS branches will drop by no more than 14-15 per cent.

facturers have become Wool has been gaining ground ant to launch new all-wool in the U.K., but consumption is a, and in some instances expected to drop this year from substituted man-made 41m. kg. to 35m. kg. at a time in blends or on their own. when carpet demand generally has been strong.

"The strong currency situation in Germany, Austria, and Switzerland, where the IWS co-ordinates much of its work, has limited the effect of cost increases, but there is still caution in the industry about new wool rose from 85p to 180p a range," the statement said.

Japan provides the contrast. Although carpets are one of the smaller end-uses for wool, co's were not affected as much as in other countries, and consumption increased by 29 per cent. on this year from the 1972 last year.

Motor Show looking for a new home

FINANCIAL TIMES REPORTER

MOTOR SHOW, which has outgrown the Earls Court exhibition centre, is looking for a new home. The Royal Exhibition Centre at Earls Court, which was opened in 1976, is the likeliest candidate at present, although the organisers, the Society of Motor Manufacturers and Traders, have reached no decision yet.

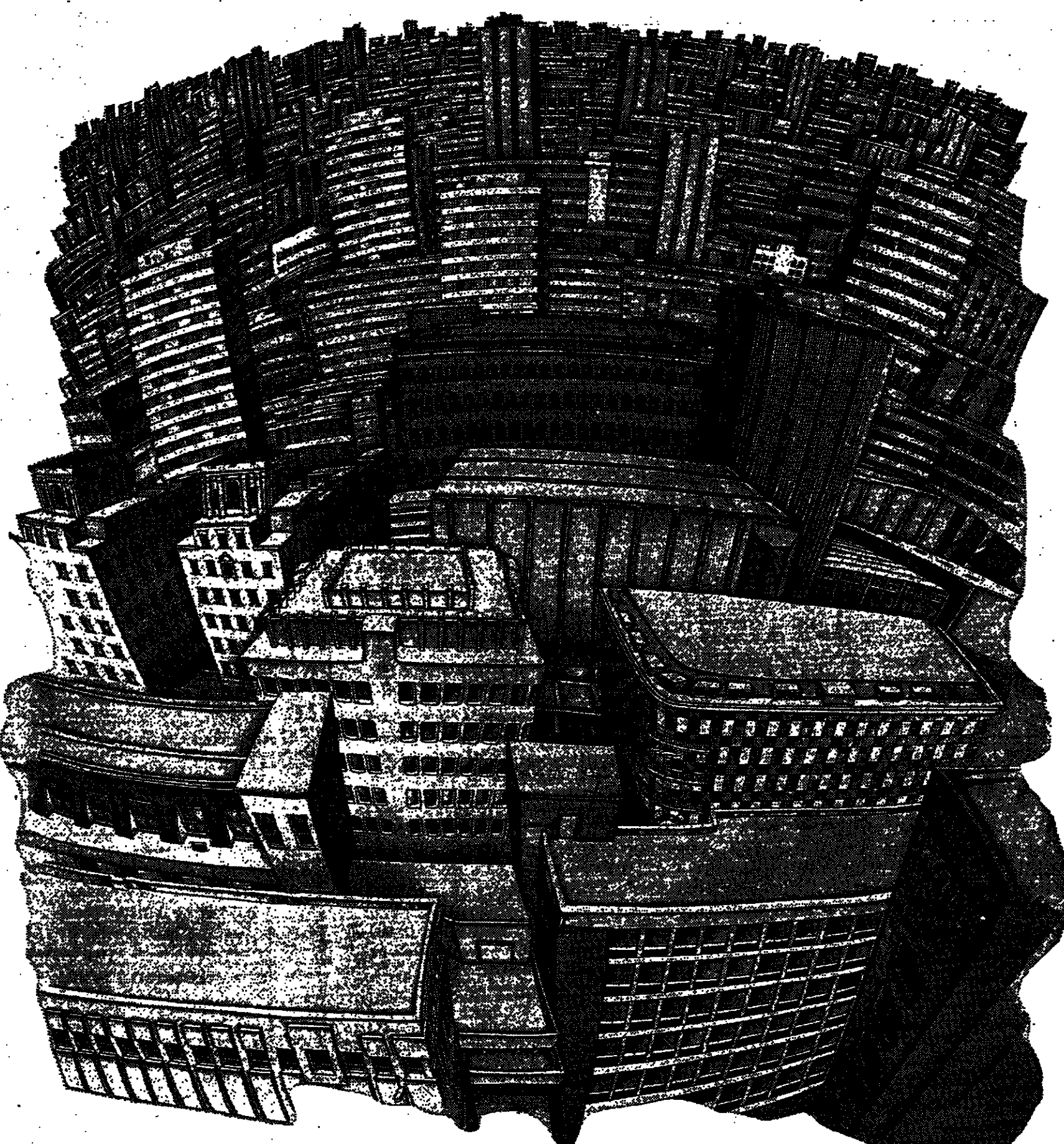
The SMMT is in something of a dilemma, since it needs about 800,000 square feet, which neither Earls Court nor Olympia can give it. The Birmingham centre will be big enough, but the SMMT is anxious to keep the Show in London, which, it says, is by far the best place for the public, the industry and the important overseas customers.

Alternative sites in London, such as the proposed trade centre at St. Katherine's Dock downstream from Tower Bridge, would be investigated, but they were all long-term projects.

Although attendances at this year's Motor Show were down on last year, the number of exhibitors was greater. An SMMT spokesman said that too much should not be read into the decline in attendance figures, since similar declines had occurred at the big Continental shows this year.

\$4m. re-finance ship loan deal by London bank

ANGLO-PORTUGUESE Bank has agreed to advance a \$4m. five-year loan to re-finance a bulk carrier vessel for John Hudson Fuel and Shipping — the subsidiary of the Williams Hudson Group. The loan is granted for a five-year period repayable in instalments. The vessel being financed is the Bel Hudson, a 25,400 tons car and bulk carrier built in Norway in 1968. It is currently operating from Germany to the U.S., but from April 1974 will be fixed on a 20-month time-charter to a major international company.



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time as the designers — even before the drawings existed. Work on site could not start until April 1970. But by April 1971, AA staff were actually operating their new Computer Suite. And by April 1972 (three months ahead of schedule) they were using the new Communications Building. By mid-May they were able to use twice as much office space as they had expected. Now all 413,000 sq. ft. of built-on space is in active use. The AA got what they asked for. And at the right price. Just like the 99% of our other building projects. And with a record like that it's hardly surprising that already over 70% of our business is repeat business. Our client list includes names like Lyons, Mothercare, Guardian Royal Exchange, Kodak, National Westminster Bank, Players, and of course the AA. So if you'd like to find out what makes our regulars become our regulars, then

call our Managing Director, Bernard Heaphy at 01-422 3488. Or call us today at your local office. Tel: Woking 5922 or 5966, Coventry 29261, Glasgow 248 2511, Edinburgh 556 9361, Sidcup 302 2666, Leeds 375211, Darlington 60199. Bovis Construction Limited, Bovis House, Northolt Road, Harrow, Middlesex HA2 0EE.

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Slater, Walker Investments Limited,
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47/57 Gresham Street,
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مكتبة الامم

The Executive's World

EDITED BY
JOHN TRAFFORD

Turner & Newall's rethink

RAY DAFTER

PLASTICS industry is full of problems with raw materials, increasing in price and stocks and environmentalists snapping at its heels producing non-destructible units.

It may not seem the best for a company with minor tests in plastics to plunge into this troubled industry.

this is just what Turner Newall has done with the acquisition of some plastics interests from life Xylonite (BXL) for a price of £13.05m. The move from impulse: it fitted the group's long term strategy to broaden its base.

Five years ago Turner and Newall was a largely monolithic, with 90 per cent of its sales in the UK, with sales of £10m. Sales of top-based products are growing, although T and N also grows into a two animal. One foot is now in non-asbestos business, namely plastics.

Steve Gibbs, a joint director, says that the BXL interests should then this foothold. High British Industrial plc, the group was already in the long-established setting sector of the group. Now it has widened its plastics interests with a similar emphasis to include manufacture of PVC resins, resins, such things as film, sheeting and cable.



Mr. Steve Gibbs, joint managing director: the plastics industry must face up to higher raw material prices.

Not only does the group now become a major supplier of PVC compounds sold in the UK, but through the takeover contract it has also acquired the right to valuable PVC know-how in the U.S. The source of this is Union Carbide, BXL's parent, which with its own particular interests in polyethylene, has not regarded PVC as part of its long-term strategy in Europe.

Mr. Gibbs says there is nothing to be ashamed of in buying companies or technology. "The plastics industry is moving too fast to hang about." Indeed, he himself was "acquired" with BIP in the early sixties and now at the age of 53, he already regards

himself as coming from the first generation of plastics men.

The growth of T and N's plastics interests complements the group's current activities. The majority of its principal markets are using more and more plastic. Of the group's third party sales of £142.3m. last year, for instance, 32 per cent, came from automotive components, 31 per cent from building and construction materials and 26 per cent from plastics and industrial materials.

"There is not a single product in our plastics activities which is being sold because of its cheapness alone or purely for its substitute value. We have deliberately concentrated on products required for their technological qualities."

At first sight this may seem a strange comment, but it underlines Mr. Gibbs' theories about the future trends for plastics. The industry must face up to changes in the light of current problems, which must lead to higher priced plastics; the days of plastics as cheap replacement materials are numbered, he says.

"If someone uttered a decree to-morrow that there should not be any more non-returnable containers it wouldn't worry us one little bit," not that T and N has any intention of moving into the High Street or services industries unless it is to sell specialist expertise like that already gained in dust control, for example. The company sees its future continuing as suppliers to industrial markets and industry as a whole.

This still leaves plenty of scope for expansion and diversification. Apart from the major takeover but it is still not bad going with the ink on the acquisition document still hardly dry.

PROFILE OF TURNER & NEWALL IN 1972	
Turnover	£142.3m.
Pre-tax profit	£16.3m.
Capital employed	£138.0m.
U.K. employees	23,612

already edged into a wide range of glass fibre, mineral fibre and rubber products.

An interesting new idea for further diversification is said to be in an embryonic state, coming out of the group's own mind "think tank," its New Ventures Committee.

This committee, comprising four directors and a secretary and meeting once a quarter acts as a satellite to the normal method of throwing up ideas—that is through the three-tier management system.

T and N operates with a main Board, unit company boards and either divisional boards or committees. The average cycle time for decisions on investment projects is claimed to be as little as three months.

"And we do not always abide by what our economists say either," says Mr. Gibbs, with the delight of a chemist and technologist. "We are still prepared to take a 'seat of the pants' attitude."

Decision records were broken a few days ago when it authorised a film expansion of a PVC calendaring plant at Brantham, near Manningtree, Essex, part of the set-up acquired in the BXL deal. Admittedly the plans had been drawn up before the takeover but it is still not bad going with the ink on the acquisition document still hardly dry.

tion is the degree to which it is vertically integrated. Its asbestos interests range from mining to brake linings.

British Industrial Plastics is claimed to be the world's largest company of its type (vertically integrated), not only providing the resins and compounds but also building its own fabricating machines (and the business has proved something of a money spinner). The vertical line can stop, for instance, at birthday card wrappers. Yet, in spite of this high degree of integration only 7.5 per cent of BIP's turnover is in inter-company sales. This has technical and commercial advantages; it gives the company experience of how its own materials behave while it also gives BIP a sounding board of the market it serves.

One of the tiers was removed a few months ago when BIP Tools, employing around 200, was closed down. "It was the Rolls-Royce of the tool-making industry but it was losing money and suffered from industrial action," said Mr. Gibbs.

"Apart from the losses it was taking a disproportionate amount of management time—something which is often overlooked—and we couldn't afford the time with so much happening." The immediate developments could result from the ideas of the New Ventures Committee. Mr. Gibbs hinted it could result in "exciting new fields."

"It is more likely to add to the character of our two legs rather than give us a third leg. We are certainly looking for significant growth and that will depend on how we manage to use our two feet. We want to run."

A British businessman, who ran a German plant between 1967 and 1971 and has since been in charge of a similar-sized British operation, talks to GEOFFREY OWEN about his experiences.

Why German managers are better

"IF ONE of our machines is due for delivery on a certain day, the German buyer will ring up at 8 a.m. on that day and ask when he can expect it. The British buyer will often wait a couple of weeks before asking politely, 'what has happened to the machine—it's overdue.'"

"British managers are more gentlemanly, they don't like making too much of a fuss. The Germans are not so pleasant to spend an evening with—they assert themselves too much, they talk shop when small talk is what you want, they are quick to take offence—in short, they are just not as nice as British managers."

"The German manager just won't stand for incompetence. If a supplier lets him down, that is the end of the relationship; no amount of generous lunches can repair the damage. I've known cases where Opel has refused to deal with a British General Motors subsidiary because a delivery failure once caused the assembly track to be closed down for half a day. In Britain people are extraordinarily reluctant to abandon their traditional supplier of, say, machine tools even in the face of persistent inefficiency."

More ruthless

"In Germany the manager's commitment to the company's objectives is more ruthless, more single-minded. He insists on the best, and goes on fighting until he gets it. When a machine shop manager has a request for new machine tools turned down by the Board, in this country he will probably grumble, shrug his shoulders and accept it—why should he get upset by making an issue of it? In Germany he would go on badgering the directors concerned, take them into the shop to demonstrate why he must have the new machine, and generally make a nuisance of himself until he gets what he wants."

"The German manager is better trained, especially in the technical sense, and he will take more trouble to ensure that vacancies are filled by people who are completely ready for the hostility, the lack of mutual

comprehension, the feeling that 'if you don't give way we'll mess you about for as long as we like.'"

"There's not the same tradition of bitter class struggle or the same multiplicity of unions, all with a vested interest in self-perpetuation and all governed mainly by the fear of unemployment and the wish to keep their particular service artificially scarce. The German system of one union per plant is a great help, as is the system of works councils which unites the staff and hourly paid employees on most issues."

"The activity of the works councils does tend to cut across union responsibilities, but most senior members of works councils are also union officials and this identity of personnel helps to eliminate potential friction. German workers want the golden eggs as much as their British counterparts, but they are more mindful of the need to look after the goose that produces them."

"They are more demanding than British workers, particularly on working conditions. Germans wouldn't put up with the buildings and facilities that exist in many British industries. This attitude—and the competition for skilled labour—has forced managements to modernise their buildings and make them as attractive as possible. The result is that the industrial environment in Germany is more conducive to efficiency than in this country."

"Will the German attitude last? I doubt it. I think the Germans are about five or ten years behind us. Work morality in Germany to-day is not dissimilar to that in Britain around 1965. Perhaps the influx of foreign labour has caused this process although I think the main reason is the end of the economic miracle. Living standards have reached something of a plateau and rapid growth is a thing of the past. I wouldn't be surprised to see organised labour in Germany becoming much more restive and demanding a larger share of the cake. Perhaps then they will catch the British sickness."

Very tough

"There is almost a complete absence of the 'two nations' or the 'they and us' attitude. Class divisions are far less marked and I think that the absence of the public school systems has much to do with this."

"Certainly the German union negotiators are very tough, but it's a toughness that seems more intelligently directed than in the U.K. You sense a determination to get what they want, but not as in Britain—the ingrained hostility, the lack of mutual

guide through the growing legal jungle

H. HERMANN

NEED for special services for businessmen to keep on top of the flow of new tax rules and decisions and to have to read them all increased tremendously in the past 50 years.

the U.S. a number of nations such as Prentice-Hall, the Research Institute of Tax and the Bureau of National Affairs Incorporated sprung up. All of them classify and digest information that is of interest to accountants, generalists or some other group.

recessions are often spanned by a proliferation of decisions and economic intervention by governments. nation services can often er during a recession.

Commerce Clearing House, leader in the field of loose-leaf series on tax and business law is a case in point. It started in a small way in 1913 following the introduction of the American Federal Income Tax.

Its scope increased with the emergence of new economic departments of the U.S. Government and received its greatest impetus in the first 100 days of Roosevelt's administration which saw the introduction of controls over business and the economy. The necessity of topical law reporting became generally accepted for the first time after the New Deal.

Since then the flow of rules and regulations has never abated. To-day the Commerce Clearing House has a staff of 1,800, producing some 140 Topical Law Reports. In the

first nine months of this year, its sales reached \$25.51m. and its net earnings \$4.8m.

In addition to the profit from publications there are the earnings of a separate division, the Computax Corporation set up in 1965. This offers computerised processing of income tax returns available to accountants and other professional tax advisers. The service includes returns and schedules developed by Computax Sciences Corporation and now sold through Commerce Clearing's marketing network. Earnings from this operation reached \$750,000 during the first nine months of this year.

An attempt at medical reporting made in 1963 was not successful and was discontinued in 1967 though reports on Medicare rules are still published.

The same fate was shared by Automation Reports. However, the company has been more successful in widening the geographical scope of its tax and legal reports by starting the World Tax series in co-operation with Harvard University and moving into the Canadian and Mexican markets by acquisition of local reporting companies.

In 1962 Commerce Clearing House started the publication of Common Market Reports, loose-leaf series giving the full text of Community documents and decisions with annotations and opinions of local reporting companies. In addition to the loose-leaf Common Market Reports it now publishes also Doing Business in Europe and a newsletter, The Euroroute News, edited in Frankfurt. There are also small

Management ideas from abroad

summaries are condensed the abstracting journals. Readers wishing to outline the benefits (despite the apparent risk) of licensing "know-how" and describe an approach to setting up technology transfer relationships and marketing programmes.

BASE FOR AND AGAINST RESPONSIBILITY. via in Academy of Management Journal (U.S.), June 73: (10 pages)

its detailed arguments for against the assumption of responsibilities by ss, and concludes that the ss that sits on the fence s out will suffer customer ible disavow.

NATIONAL TECHNO-TRANSFER Lang in The Business (Canada) Summer 73: 5 pages

ids that international

ERF rucks. ong-term nvestments

technology transfer can be an important means of survival for small manufacturing companies, outlines its marketing role, highlights the benefits (despite the apparent risk) of licensing "know-how" and describes an approach to setting up technology transfer relationships and marketing programmes.

DEVELOPING MANAGERS WITHOUT MANAGEMENT DEVELOPMENT S. W. Gellerman in The Conference Board Record (U.S.), July 73: p. 32 (6 pages)

Discusses an approach to on-the-job management development for small businesses that cannot afford large-scale investment in management training; examines the significance of a task force organisation structure, and job design, for development purposes; the value of short-term career planning, and the importance of a coaching/controlling role for senior managers.

INVESTING IN THE "THIRD WORLD" R. Nurnberg in Manager Magazin (Fed. Rep. of Germany), July 73: p. 52 (4 pages, diag. table; in German, English version available)

A specialist in foreign investment summarises the line of successful operation in overseas markets for the benefit of the many German companies which see the setting up of local manufacture as a viable answer to growing labour scarcity at home. Advice is given on

market research, export expectations from the new location, financial aspects, expatriate management, and joint ventures.

WHAT EVERY MANAGER SHOULD KNOW ABOUT INTERNAL AUDIT R. S. Brownlee in The Internal Auditor (U.S.), July/Aug. 73: p. 49 (8 pages)

Examines the role of internal audit and maintains that its effectiveness is diluted by the addition of other duties, such as systems or external audit work, or by restriction to accounting matters; stresses the importance of conveying this to all levels of management and discusses methods of doing so.

NEW PATHS TO CORPORATE SOCIAL RESPONSIBILITY. B. Richman in California Management Review (U.S.), Spring 73: p. 20 (17 pages)

Identifies pressures for greater corporate social involvement and problems that need solving if corporations are to assume their relationship of responsibility and benefits from social audits and greater public disclosure. Describes how social indicators and opinion polls may be used to establish responsibility goals and having directors representing special interest groups, and the pressure that major institutional shareholders and government could exert to encourage positive policies; presents a multi-dimensional approach to social responsibility.

BEHAVIOURAL SCIENCE AND COST ACCOUNTING F. G. Hoepfner in Management International Review (Fed. Rep. of Germany), No. 23/73: p. 51 (13 pages)

Explores the range of events that should be covered by cost accounting information, and the relationship between the accountant and the recipients of his information; how feedback of information, through the cost accounting system, can be used as a learning aid. Discusses the motivational effects of cost accounting in relation to the goal system of the firm.

THE INTERNATIONAL SELECTION-DECISION E. L. Miller in Academy of Management Journal (U.S.), June 73: p. 239 (14 pages, tables)

Discusses research into how managers select personnel for international managerial or professional assignments, and examines problems of identifying and measuring the relationships between the characteristics of the individual and the environment and demands of the job. Finds—generally—that job attributes, rather than ability to

adapt to the physical and cultural environment, are stressed, and concludes that perhaps the wrong people are frequently selected.

EVALUATION OF INVENTORY MANAGEMENT D. W. & J. E. Butler in Business Horizons (U.S.), June 73: p. 51 (10 pages, chart, tables)

Describes an approach to analysing and evaluating the effectiveness of stock management; lists the basic data requirements, and advocates the use of statistical sampling techniques, with brief case examples illustrating the scope for improvement.

MANAGEMENT AND THE MULTINATIONAL ENVIRONMENT T. H. Bates in California Management Review (U.S.), Spring 73: p. 37 (9 pages, charts, tables)

Discusses the influence of risk on the organisation and decision-making process of a multinational corporation, and describes a game-theory technique for estimating uncertain outcomes and indicating optimal decisions.

USING ACCOUNTING INFORMATION IN PERFORMANCE EVALUATION A. G. Hopwood in Management International Review (Fed. Rep. of Germany), No. 23/73: p. 53 (8 pages)

Identifies three styles adopted by managers in the use of budgetary accounting information, and presents a U.S. case study which examines their effects on the way managers perform; the implications of these findings for the design and operation of accounting systems

SUCCESSFUL USE OF COMPUTER SYSTEMS H. Gellman in The Business Quarterly (Canada), Summer 73: p. 38 (6 pages)

Describes the characteristics of a successful computer system, and outlines the steps to successful success; offers tested guidelines and a checklist of actions that contribute to, and criteria that measure, success.

Addresses of Management Journal, Department of Management, Bowling Green State University, Bowling Green, Ohio 43403
The Business Quarterly, School of Business Administration, University of Western Ontario, London, Ontario, Canada
The Conference Board Record, 645 Third Avenue, New York, N.Y. 10022
Manager Magazin, 200 Hamburg 11, Adolf-Platz 12, Berlin, Germany
The Internal Auditor, 170 Broadway, New York, N.Y. 10038
California Management Review, 350 Barrons Hall, Berkeley, California 94720
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TUESDAY NOVEMBER 20 1973

Acting on oil demand

THE GOVERNMENT'S first emergency oil tax would bear hardest on those whose use of oil is most lavish, helping the market to select more rapidly and efficiently than any administered rationing, those who could make the best use of this scarce resource.

Difficulties

An approach based purely on physical controls courts difficulties. In any case, however flexible the rules, the very formula chosen shows some of those on the supply side. An across-the-board cut looks fair at first sight, and yet if rigidly enforced, it would bear selectively on those users who have expanded most rapidly in the past twelve months, and those whose use of oil is already the most efficient, with least scope for painless economies. Furthermore, it may yet be necessary, however painful, to bear down on some activities which make heavy demands on oil in order to protect others in which fuel, while essential, is a small part of the total activity involved. If it comes to a choice between even-handedness and protecting the level of output, output must take first place.

Some check to the growth of output seems inevitable, however, and this poses a second problem: by confining itself to physical action on the supply side, without any corresponding act of demand management, the Government must expand still further the inflationary excess of demand in the economy. This is both dangerous and unnecessary: whatever the normal political difficulties of cutting public transport not only saves fuel, but should materially help the finances of the transport undertaking, and so help to contain increases in other costs. Nothing can make a new tax, popular, but no-one expects pleasant results from a grim situation. The public needs only to be assured that the Government is making the best it can of a bad job.

While there is no painless cure to a painful dilemma, there is fortunately one step which would help to deal with both halves of the problem—the allocating supplies and managing demand. A substantial

Why credit is tighter

IF THE price of imported crude oil had not been sharply raised and if the Government's hopes of an early improvement in the terms of trade had not been suddenly thwarted, it might well have chosen to maintain unchanged for some time longer the economic strategy on which Stage Three was originally based. The latest business indicators, at any rate, would have looked different if they had been published before last week's imposition of a tight squeeze on credit.

The latest indices of wage rates and earnings look reasonably encouraging even now. The indices of basic weekly and hourly wage rates rose by much the same small amount in October as they had done in the previous month: the percentage increase on the year has fallen steadily from peaks of 15.9 and 16.3 per cent. in June to only 11.5 and 11.8 per cent. in October. The seasonally adjusted index of actual earnings, which lags a month behind, rose quite sharply between August and September; but in this case, too, despite the increase in overtime working, the year-on-year increase has been dropping, from 15.8 per cent. in July to 13.1 per cent. in August. The figures are affected by the fact that the comparison with last year involves a period when wages and earnings were both being pushed up in anticipation of the freeze.

Money supply

The growth in the money supply during the four weeks between mid-September and mid-October might also have attracted less Government attention if the trade deficit had not widened suddenly even in advance of the effect of higher money supply defined in terms of the currency circulation and current sterling bank accounts, rose by less than 4 per cent. during the month in question after allowance for

Outer London would be a better home for company records than Cardiff, argues Nicholas Owen

Companies House: wrong move for the right reasons

FEW decisions taken in capacity of Companies House to Whitehall affecting the City and business in general can have raised as much argument as the one to decentralise the operations of the Companies Registration Office at Companies House. In under a month, Sir Geoffrey Howe, Minister for Trade and Consumer Affairs, has defended the plan at least twice at business gatherings and twice in the Commons.

The reaction to the proposals has been almost universally hostile, with the important exception of one of the leading firms of company search agents, which, speaking from plenty of experience, backs the Government's basic case that the present London-based system is grossly inefficient. The heart of the controversy, however, is that one can accept that the present system is inefficient, without accepting that a move to Cardiff is the right solution.

The Government has not made its path any smoother by leaving serious gaps in the public relations exercise which should have been mounted to explain the move. A serious omission was the lack of any prior consultation with the Stock Exchange. Representatives of bodies like the legal profession and chartered accountancy also seem to have been caught off guard by the speedy implementation of the proposal, which was contained in the Hardman Report on Dispersal of Government Work from London.

Counter-advantages

The move of what Department of Trade and Industry officials call the "factory" side of the CRO to Cardiff is definitely going to reduce the material immediately available to company researchers in London. On the other hand, the DTI is hopeful that it can develop new services in London which should provide some counter advantages.

The building at the centre of the rumpus is number 55, City Road—Companies House. It was custom built as a company record office. At present, anyone wishing to study the files of any of Britain's 565,000 companies can pay 5p and settle down to wait while clerks search the shelves for the relevant records. If they are already being inspected, the searcher has to cultivate patience.

Over the past four years, the rate of growth of company formation has risen enormously. "Terrifying" is how one of the CRO administrators puts it, with new registrations now running at 64,000 a year. So, with the U.K. having far more companies than any other Western European country, the

Government's case is that the "squeeze" on the organisation comes from two directions, and that any solution inevitably involves going outside the metropolis. First, the sheer space required to accommodate the files will soon run out. Before that happened, the weight of paper, 2,000 tons at present, could begin damaging the actual structure. The other problem is that of staff. At the moment, Companies House employs 950 people, which is 250 up on two years ago. To be efficient, another 100 or 150 are needed now. The DTI sees little prospect of gaining enough staff, and then keeping the number rising to cope with the extra work load.

Catching offenders

It is thought that about a third of the companies registered are late in filing returns. Although some records at Companies House were put on a computer system this year to try to trace more defaulters, catching offenders is still largely a question of laborious manual checks of files, which become less and less comprehensive as staffing problems worsen. There were only about 700 prosecutions last year, with convictions in nearly 450 cases.

Although the CRO thinks of court action as a last resort, the important thing is to get the returns, even if late—this is a serious example of the way a law is falling into disrepute because of the difficulties of enforcement. The process of tracking down offenders is also made more complicated by the large number of "shelf" companies registered but not immediately trading.

Given the general policy of decentralisation, the hunt therefore began for alternative sites, and about two years ago, the Newport/Cardiff area was suggested. When the Hardman Committee looked into the problem, it agreed on Cardiff, putting Newcastle second. Forty individuals were consulted, representing legal, accountancy and search agency bodies. The case for a move to better facilities was quite clearly accepted, although the speed of the move and the nature of the facilities remaining in London



Above, the company file repository at Companies House, and below, the public search room.



do not appear to have been well understood. The plan is a fine example of trying to make virtue of necessity. At Maindy, in the suburbs of Cardiff, an office block had been erected for the Ministry of Defence. Before a civil servant set foot in the place, it was declared surplus to requirements. For the Government, it was the perfect solution to the CRO problem. The office block, an empty shell at present, will

become the CRO administration centre. A single-storey repository, easy to fit out with shelves and conveyor belts, will be built on an adjoining site earmarked originally for a barracks sports field.

At City Road, where 400 people at a time can inspect files, microfiche sets will be installed. Inside one small envelope the following company records will be available: incorporation documents; subsequent changes in articles of association; changes in structure of capital; head office location and changes going back over seven years; a list of directors and changes going back three years; accounts going back three years; in the first place, gradually to be topped up to provide a seven-year record; mortgage registers; and other documents relating to mortgages and charges.

The difficulty is that the microfiche service will not provide a full historic picture of the company concerned. But the Government says 80 per cent. of those who use Companies House now will find their requirements satisfied by the new London organisation. For them, it is hoped that conditions will improve markedly. Another hope is to blunt some of the criticism by offering new facilities. In particular, a subscriber service is planned which would enable researchers to build up their own libraries of company files.

Important researchers

An important problem which the Government thinks it has licked already is that of lodgement of prospectuses, mortgages and other documents which have to be registered without delay—and be available for inspection without delay. It is expected that documents will still be accepted in London, microfilmed for study, and then despatched to Cardiff. Legal experts, at least, look like being won round on this score.

What, though, of the other 20 per cent. of users? Officials, having studied details on admission cards filled in by past customers, like to describe them as "browsers" who often do not really know what they are looking for. But this description surely under-rates the importance of at least some of this group. They could include some rather important researchers: for instance, people who have had dealings with a company which aroused suspicions and want to check all the credentials available. Shareholders and creditors with some reason for

Sheer stubbornness

But critics of the scheme argue with force that demand for the CRO is after in London, and to shift "heart" of the operation miles away is sheer stubbornness. They also query duplication of effort between the Maindy "factory" and London microfilm and al-

MEN AND MATTERS

Believing in Bryanston

"Mr. Smith knows what I think. I will not be a party to anything dubious; I have a standard of ethics which I will keep to." Thus Sam Green, former managing director of Remploy, current chairman of Industrial Advisers to the Blind, a director of British Legion Industries, and, since yesterday, a director of Teddy Smith's Bryanston Finance. "I shall," he says, "help the company to improve its image."

That Bryanston might need some image building, after the recent resignation of two of its directors, the failure to take over Griffiths Bentley, and bad publicity about its interest rates, is not altogether accepted by Smith himself. The departure of the two men, Bertie Joseph and Victor Baker, "has been blown up to look sinister," he says. Nevertheless, Green, with his work "in the charitable field" and his industrial record, is a "very prestigious man," says Smith.

Green, one of two new directors appointed yesterday, has had a career which fits neatly with Bryanston's span of financial and industrial interests. He started as an electrician in Oldham, working in the textile industry, where he is credited with the invention of the four-colour automatic loom. After a spell in a number of engineering companies he went into finance, as industrial adviser to the IGCFC, and then to Remploy, the company for the disabled, where he lifted turnover from around £1m. in 1952 to £5.5m. in 1964. For the next five years he was chairman and managing director of Ralli Bros. (Industries) before the takeover by Slater Walker.

While at Ralli he bought Barclay Securities, the base for John Bentley's future career, so he has seen a number of the City's more abrasive entrepreneurs at close quarters in recent years. Smith, he says, is an "entrepreneur par excellence." He is keen on providing venture capital, which Green thinks is important to the economy in general; and that ties in with Green's continuing interest in inventions (he has been vice-chairman of the Institute of Patentees and Inventors), because "without the entrepreneur the inventor is useless."

But what of the suggestions that Bryanston sometimes charges unduly high interest rates on its finance business? "I don't believe it," says Green, who still spends one-third of his time in charity work. "It is not in line with Mr. Smith's thinking."

Off to Brum

Jessel Securities' £13m. investment to raise its stakes in G. R. Davies Holdings is another sign of the growing appeal the Midlands banking scene is exercising on London. In the past few years a procession of key merchant banks from the City has opened up in Birmingham: Hill Samuel, Samuel Montagu, Barclays Bank (London and International), Old Broad Street Securities, FNFC (via Birmingham Industrial Trust), Henry Ansbacher (via Midlands and Northern Securities), and Slater Walker are among those to follow earlier arrivals like Singer and Friedlander, and Charterhouse Japhet in tilling what is sometimes a fruitful field for new issues and always productive of merger business. Jessel's move to build up to

the associate level of 20 per cent. its holdings in Davies (formerly the Neville Group) is interesting in that this is, so far, Jessel's only major banking associate. Despite this, the associate will doubtless continue with those who insist that Birmingham, in banking terms, is a commuting distance from London. There are still some big names who have found the prospect of a Midlands office very resistible.

Enter Mr. Grand National

Two highly determined people are involved in the £3m. Aintree racecourse deal. It still has to survive a court case, concerning another prospective purchaser, and it has already taken a year to agree terms which would save the Grand National, for at least five years, and give the Tophams, who first took a lease on Aintree in 1943 and bought the land for £275,000 in 1949, the return they wanted.

Of the partners in the deal, Mrs. Mirabel Topham, who speaks for the 19 shareholders of the family company, needs no introduction. Now 82, she was once a model—"They had more flesh on the bone then"—and two years ago announced, "I'm 18 stone and 80 and I hope to be 19 stone and 90." Perhaps she overdoes the weight jokes, for she retains a statuesque elegance and charm which have done much to soften irritation with her seemingly endless threats of "a last Grand National."

William Davies, 38 (and 14 stone) is an equally strong-willed character. Broad and bearded, he yesterday recalled, climbing in to watch his first apprentice joiner at 15, he

started his own building business at 19. By 1970, his Walton Group was, he says, making £300,000 a year from house-building in the North West. He then turned to commercial property, his biggest success so far being to buy a former English Electric works at Bootle, empty at the time, and develop it as an industrial complex with Lucas, P & O and Lord Vestey among his tenants.

So far, Davies's story is one of the local boy who makes good locally. But he is soon moving south, having bought himself a house in Chesterfield Hill, Mayfair, intending to tackle the City and Mayfair property market. To achieve success, at the same time as battling his Aintree shopping centre plans through the local authorities and also taking the Walton Group public, looks a tall order. But the Aintree story has always been a bit larger than ordinary life, so some of the magic might rub off on Davies.

Mastering the roles

When translated, Lord Denning's title of Master of the Rolls, correctly becomes something like President of the Court of Appeal. But the latest person to fall into a trap of English legal tradition is an Indian engineering graduate who wrote to Lord Denning saying: "I am an experienced engineer with a Master of Science degree and I have both the experience and motivation necessary for working in the automobile industry. I am writing to you in the hope that you will help me to find employment in your great and famous works."

Observer



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مكتبة الأمل

SOCIETY TO-DAY

BY JOE ROGALY

Why we should be grateful to the Arabs

ARABS have done us a service in the past. The time has come when we must ensure that we do not become a victim of their oil embargo. It is a result of their policy of motivated reduction of oil supply to the West, but it is nevertheless a service to the West.

For the Arab embargo has revealed the absurdity of the energy policy that has been pursued by most industrialised countries since the war, and made it plain to officials, if not all politicians, that a broad, long-term energy policy for the conservation of energy is now a matter of urgency. The emphasis here is on "urgency". Those who believe that we now face an imminent beginning to the oil war are mistaken. The price of oil is shooting up before the eyes of the world, but the oil war is not yet a reality. The price of oil is not yet a reality. The price of oil is not yet a reality.

It would, therefore, have been better to have some of our own energy resources, rather than rely on the Arabs. It would, therefore, have been better to have some of our own energy resources, rather than rely on the Arabs. It would, therefore, have been better to have some of our own energy resources, rather than rely on the Arabs.

It is certainly the case that the Government now reviews its energy strategy, so much attention can be paid to the demand for fuel in the future as has been paid to

THE ENERGY EFFICIENCY OF TRANSPORT (U.S. figures: Source—Science magazine)			
Transport type	Passenger miles per gallon	Transport type	Cargo ton miles per gallon
Large jet plane (Boeing 747)	22	One-half of a Boeing 707 (160 tons, 30,000 hp)	8.3
Small jet plane (Boeing 704)	21	One-fourth of a Boeing 747 (240 tons, 60,000 hp)	11.4
Automobile (sedan)	32	Sixty 250-hp, 40-ton trucks	50.6
Cross-country train	80	Fast 3,000-ton, 40-car freight train	97.0
Commuter train	100	Three 5,000-ton, 100-car freight trains	250.0
Large bus (40 foot)	125	Inland barge tow, 60,000 gross tons	220.0
Small bus (35 foot)	126	Large pipeline, 100 miles, two pumps	500.0
Suburban train	200	100,000-ton supertanker, 15 knots	930.0

no longer afford to have the coal, gas, and electricity industries compete with one another and with oil in an unrestrained competition. Artificial depression of the price of fuels, have experienced in the recent past, unless there are new solutions to the problems of energy supply and demand.

But, well before such an extreme is reached, there is a long list of actions that the Government could take to ensure that the waste of fuel is reduced to a minimum.

For a start, it could amend the Building Regulations to provide for the highest possible standards of insulation in homes, while legislating for similar insulation in factories and offices. New Building Regulations are in fact expected

Thus one inch of roof insulation might be sufficient on a personal cost-benefit basis when oil is cheap and a householder expects to move within five years or so; three inches is absurdly cheap when the life of the house is taken as 50 years, fuel continues to rise in price throughout that period, and the cost to the nation in terms of a scarce physical resource is calculated accordingly. Again, industrial buildings and offices must be heated, according to the law. For this reason it has previously been assumed that, since the inhabitants are guaranteed comfort, there is no need to legislate for high standards of insulation.

Transport
Even now, it seems that the Government is relying on the price of oil as a means of concentrating the minds of businessmen and householders voluntarily on the insulation of existing buildings. When it fully appreciates the urgency of the long-term supply situation, it may come around to regulations, taxes or subsidies designed to enforce these improvements. Such a policy, pursued to its fullest extent, might after a few years save as much as a third of the fuel used in heating, although some of the saving might be taken up by a higher standard of warmth.

Commission
There are also important savings to be made in industry and agriculture. This is not a matter of the temporary cuts now being sought for good immediate reasons by the Government, but rather of long-term changes in what is produced and how it is made. Again, the literature is extensive: a good start can be made with the recent "World Energy Strategies" put out by Friends of the Earth and articles in the March 30, April 13 and July 13 issues of "Science," the journal of the American Association for the Advancement of Science.

Labour News

Ambulance crews set for £4 rise

OUR LABOUR STAFF

ON LEADERS representing 600 London council manual emergency cases only were meeting to-day to give Council at patchy. Some stations are totalling more than 11 in the south-east and north-west. The offer might lead to the ambulance men's services, but crews in the south-west, and north-east, were working normally.

Crews in 40 local authority areas throughout the country now confirmed in writing, are now running restricted services of about 24 a week. Tomorrow's meeting was called after shop stewards voted on Thursday to answer accident and emergency calls only. After the vote, many stewards complained that full-time officials had unduly influenced the meeting not to call for strike action.

The main moving force behind strike and the other day for selective one-day strikes—have already been response by ambulance yesterday to calls by shop

London dockers back demand for £8 rise

JOHN WYLES, LABOUR REPORTER

UNOFFICIAL national pay strikes in support of a demand led by militant shop stewards was given support yesterday when 600 London dockers backed demand for 20 per cent. pay rise.

Adopted, the demand would about 5,000 men in London and the Royal West India Groups of docks. The claim would be a 28 week increase on dockers' current basic rate of 35 a week.

Similar demands have been adopted by dockers in Liverpool, Manchester, and Hull. A series of one-day

Provincial journalists up campaign

OUR LABOUR REPORTER

National Union of Journalists instructed more than 100 provincial journalists to adopt restrictive practices from tomorrow in support of a pay campaign.

The Institute of Journalists yesterday withdrew its complaint at the National Industrial Relations Court that the NUJ had committed an unfair industrial practice at a South-West Essex subsidiary of the Westminster Press. In private talks the two unions reached a compromise agreement which was signed yesterday. The NUJ said it would restore working relationships at John H. Burrows of Southend.

MIDLAND'S YORK BRANCH OPENED

The new premises of the Midland Bank Parliament Street, York, branch were opened by Alderman Jack M. Wood, Lord Mayor of York, yesterday. The building also contains the bank's regional head office, formerly in Low Ousegate, York, and the York branch of Midland Bank Trust Company.

Agreement near on underground 9m. tons oil store at Teesside

BY RAY DAFTER

MAJOR OIL companies and Imperial Chemical Industries are said to be near agreement over a multi-million pound plan to create an underground store beneath Teesside for 9m. tons of oil.

ICI said last night there were "excellent prospects for a satisfactory agreement being reached with the oil companies." Although the companies have not yet been named, it is known that ICI is at a conclusive stage in its discussions with Shell Chemicals and BP Chemicals over the possible joint construction of a £100m. ethylene plant.

The most-favoured site for this cracker is, at present, Teesside and it is likely that if the store is built it will be used in part to hold the necessary oil feedstock for the plant.

The storage scheme involves turning a disused anthracite mine, part of which runs under Billingham town centre, into a huge oil reservoir. It would be one of the biggest underground oil storage centres in the world, capable of holding almost one-tenth of the current U.K. consumption.

The mine, extending over two square miles, is close to the Teesside end of the pipeline from the Ekofisk field in the North Sea. Adaption would take several years, possibly employing a labour force of 300.

Dow Corning, part of Dow Chemical Group's interests, has also announced a several million pound project at its Barry factory in South Wales.

The scheme involves the modernisation of the factory in order, says the company, to satisfy anticipated demand for silicone products. The company's latest silicone manufacturing technology is to be used.

£7m. scheme at Felixstowe port launched
THE Port of Felixstowe has opened the first berth of its £7m. expansion project. A spokesman described the opening as the most significant step in the expansion of the port since the completion of the first container and roll-on facilities nearly 10 years ago.

More than 1,500 feet of new quays, created from 60 acres of land reclaimed from the sea at the mouth of the River Orwell and equally suitable for handling general cargo of roll-on/roll-off traffic, will be available when the new development is completed in 1974.

Clay Cross council staff strike
ALL THE council staff at Clay Cross Urban Council, Derbyshire, went on strike yesterday. The 30 staff, including the four chief officers who decided last week to resign, walked out because the 11 Labour councillors failed to meet a list of demands by a 10 a.m. deadline.

The staff later accused the councillors of "blackmail" and will decide to-day whether to go back. The council officers were totally deserted from mid-day after Mr. Frank Green, the clerk, had left, locking the doors behind him. Only the engineer and surveyor have been given permission to be available to deal with any emergency which might affect life and limb.

The strike has brought to a head trouble between the staff and the councillors since the resignations were handed in last week. Mr. Jack Briggs, East Midlands district organisation officers of NALGO, the staff's union, said last night: "The staff addressed a letter to the council on Thursday asking them not to accept the resignations and saying that no officer should be required to undertake any duty which placed him or her in jeopardy under the law."

The staff set a deadline for a written reply, but received only a verbal message from the council chairman saying the councillors would meet to discuss the situation. In the light of this, NALGO instructed its members at Clay Cross to withdraw their services.

Mr. Briggs said the responsibility now rested firmly on the shoulders of the councillors. But Councillor Charles Bunting, chairman of the housing committee, said the council had disregarded the staff's letter because it was "nothing short of blackmail."

He claimed: "We have been model employers and we have done everything possible for our staff from the chief officers to the most junior of juniors." The strike is the latest in a series of crisis confronting the councillors. They are already liable to a £7,000 surcharge for refusing to increase rents under the Housing Finance Act and are likely to be taken to court by the Pay Board for paying their 94 manual workers' pay rises which are above the limit set by

First hammering of Irish firm

BY NICHOLAS LESLIE

THE FIRST "hammering" of a firm of Irish stockbrokers was announced yesterday. James O'Connor, a small firm based at Limerick and with an office in Galway, has informed the Stock Exchange Council that it is unable to comply with its obligations to the Exchange.

The firm has three partners, who are brothers. They are Mr. John Coleman O'Connor, Mr. Patrick Mary O'Connor and Mr. Joseph Mary O'Connor.

O'Connor is the first firm to be hammered since the unification of the London and regional stock exchanges, in April. No reasons were given in yesterday's announcement for the firm's failure, but it is believed that O'Connor's dealings in mining shares, particularly Canadian, led to the present situation.

Although the sums involved in the failure may be large by Irish standards, the Stock Exchange compensation fund is more than adequate to cover any claims which will arise.

O'Connor is the first firm to be hammered since the unification of the London and regional stock exchanges, in April. No reasons were given in yesterday's announcement for the firm's failure, but it is believed that O'Connor's dealings in mining shares, particularly Canadian, led to the present situation.

At present it stands at just under £1m., but on each failure a call of £1,000 may be made on each firm. This, in view of there being some 4,800 firms, means the fund could if necessary be raised by about £4.8m. Such a call is unlikely in this case.

LIFEBOAT STAMPS
Guernsey Post Office is to issue a set of four special stamps on January 15, to mark the 150th anniversary of the Royal National Lifeboat Institution. Printing is by Helio Courvoisier of La Chaux de Fonds, Switzerland.

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BONE CRAVENS £1.6M. EXPANSION

Bone Cravens expects to spend £1.6m. on machine tools and buildings during the next four years to boost the capacity of its Sheffield works by about 50 per cent. Employment will increase by about 500. The D.T.I. is supporting this expansion with a loan of £800,000 under the Industry Development Act.

COMPANY NEWS + COMMENT

Yarrow profit up by over £2½m.

TAXABLE PROFITS of Yarrow and Co. expanded sharply from £2.88m. to £3.45m. in the year ended June 30, 1973, including shipbuilding grants of £276,546 against £24,580.

As forecast in March the dividend is lifted from 7 per cent. to 10 per cent., with a final payment of 7 per cent. gross, 4.9 per cent. net.

At half-way, when returning to the practice of paying an interim dividend—3 per cent.—the directors announced pre-tax profits of £867,000 against £401,000 in 1972.

The net profit of Yarrow (Shipbuilders) is not at present available for distribution without the consent of the Ministry of Defence, and until adverse profit and loss balance of £961,439 is eliminated.

The directors emphasise their statement of last year, that difficulties have been encountered with the Greater London Council boiler contract, and the final outcome is dependent upon litigation which is now in the initial stages and the result of which cannot be predicted.

They add that all known and anticipated losses have been provided for in the accounts, except for any payments which may be required as a result of the litigation.

Chairman is Sir Eric G. Yarrow.

comment

Small wonder that the market pushed Yarrow shares ahead 10p yesterday against the trend to 130p, with profits almost quadrupled for the year: earlier outside estimates (including shipbuilding grants) have been beaten by well over £1m. at pre-tax level.

A more detailed account of how this rise has been achieved will appear in the full report, but if the half-time bulletin last March is anything to go by most of the pace has come from shipbuilding.

Recognition of the change in the group's fortunes is reflected in the current share price against the 90p "low" for the year, but a p/e of 2.4 excluding grants and sale of investments (or 4.4, fully taxed) shows that the creditability gap has yet to be bridged.

Chamberlain Phipps up at half-way

TAXABLE PROFIT of Chamberlain Phipps jumped 22.6 per cent. to £738,540 in the six months to September 30, 1973, and, say the

directors, demand for the group's products continues at a high level. Earnings are given as 2.01p against 1.61p per 10p share but the directors say direct comparison is not possible because of the introduction of imputation tax.

If the basis had been the same for the two half-years, earnings would show an increase of 34 per cent. The figure of 2.01p is comparable with 1.50p, the amount which, at September 30, 1972, would have been shown.

The interim dividend is held at 0.50p gross—0.45p net. Previous total was £235p paid from profit of £1.4m. before tax.

An encouraging feature has been a greater contribution to the profit from overseas companies, they continue.

They expect a continuation of the growth in earnings which the group has achieved during the last few years, subject to the effects of the Government's counter-inflation policy in the U.K. and a possible shortage of raw materials.

comment

Chamberlain is off to a good start for the year—with profits up by 22 per cent. pre-tax—and expects further growth in this half. But thereafter the group may run into volume problems as consumer spending tails off, for the major slice of profits comes from a wide range of shoe manufacturing customers. For its part, Chamberlain points to a growing overseas content—now over 16 per cent. of profits—and to the strength of its export trade, say 15 per cent. of total turnover.

The group does not seem to have any net reference problems and there may be scope for improving its market

share if demand at home falls away. Meanwhile, a net p/e of 11 on earnings for the past 12 months is not too stretched, while at 46p a yield of 6.8 per cent. must be a considerable comfort.

Statement Page 26

Moss Engr. makes and pays more

The higher profits foreshadowed at half way by the Moss Engineering Group turn out to be £453,642 against £464,158 before tax for the year to August 31, 1973.

And the dividend is raised from 4p to 4½p with a maximum permitted final of 2.95p gross—2.06p net per 25p share.

comment

At the halfway stage, when profits were 17½ per cent. higher before tax, Moss Engineering appeared to be headed for its first real pre-tax growth since 1968-69. In the event, full year profits have risen by only 4 per cent. (excluding a 1972-73 period of 1968-69).

Exports have fallen by 32 per cent. but this is mainly due to the completion of a long-running U.S. contract. The main troubles in 1972-73 were that the group's dispersal of its main subsidiary to an existing factory at Accrington and to two new ones in South Wales took much longer than anticipated while an expected pick-up in demand for general engineering did not materialise until very late in the year.

The sewage disposal side continued to perform well, however, and looks headed for further growth in the current year when new capacity is due to come on stream. At the same time, a return to profits by the transmission side following completion of the disposal of the cards while a more substantial improvement seems likely from general engineering. However, until there is some real proof that the group is finally about to achieve a significant pre-tax growth, the share on net p/e of 9.3 will probably remain where they are, at 51p.

Photo-Me looks to America

The key point in future thinking at Photo-Me International must be America states Mr. E. F. Weston, chairman of the group.

The directors are applying themselves very vigorously to this problem area, he continues. The U.S. has an enormous potential, and it must not be forgotten that a short time ago it was responsible for more than half the group's order book, as well as turning in a good trading profit.

The impact of automatic colour photography should give greater emphasis to those possibilities and so enhance the objectives and rewards which are so clear, says Mr. Weston.

As reported on October 26, pre-tax profit for the year to April 30, 1973, was £480,383 (£412,117) with a dividend of 1.75p (1.50p).

Analysis of the profit shows the U.K. contributed £200,000 (omitted); £12,068 (£1,749) and £268 (£244); within Europe £4,033 (£2,216) and £337 (£281); Outside Europe £1,171 (£118) and £142 (£123) loss.

The auditors of an overseas subsidiary have reported that their work is not complete. For the purpose of presenting consolidated accounts the directors have incorporated an estimated trading loss of £108,907 in the net profit of the group trading result for the year. Mr. Weston states that the two wholly-owned American subsidiaries are responsible for three-quarters of the overseas losses and it is most unfortunate that new marketing arrangements which started in the U.S. on April 1, 1973 broke down a few months later owing to the non-performance of the other contracting parties.

The directors can now see further growth in turnover in the home manufacturing division and in the operating companies in France, Germany, Japan and South Africa. Profitability should also improve. In the U.K., since the impact of VAT is currently being absorbed and not passed on by addition to the prices of photos, improving turnover will not necessarily give rise to additional profit he explains.

Meeting, Esher, December 13 at 5 p.m. Chairman's Statement, Page 29

Porbin's turns in £404,193

The Middlewich-based, builders and civil engineers, Porbin's, reports an advance in group taxable profits from £137,865 to £404,193 for the year to May 31, 1973.

Treasury approval is being sought, on recovery grounds, to raise the dividend from 7½ per

INDEX TO COMPANY HIGHLIGHTS

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cent. (a single payment) to 20 per cent., with a 15 per cent. final, the interim way wage pre-tax profits more than trebled from £45,712 to £133,932.

Ward & Goldstone upturn

WITH SALES up £2.14m. to £13.92m, taxable profit of Ward and Goldstone advanced from £883,070 to £1,778,384 for the half year to June 30, 1973.

The interim dividend is maintained at 6 per cent. gross—4.2 per cent. net. Previous total was £2,371.43 per cent. paid from profit of £3.3m. before tax.

Profit for the six months was £1,778,384 (depreciation of £455,636 (£373,000) and £16,374 (£18,500) transferred from investment grants account).

The takes £48,692 (£37,298) to leave net profit of £438,682 against £335,542 in the same 1973 period.

comment

The story behind Ward and Goldstone's one-point drop in margins after six months to 10.6 per cent. is a familiar one—that export earnings, though rising, have been insufficient to offset exceptionally sharp rises in costs.

And the dividend is raised from 4p to 4½p with a maximum permitted final of 2.95p gross—2.06p net per 25p share.

comment

Arbuthnot Latham improves

PROFITS of Arbuthnot Latham, merchant bankers, for the first half of the current year show an increase compared with the same 1972-73 period, states chairman Mr. J. E. Priddy.

Until the effects of the Government's recent measures have begun to work through the economy it will be too early to predict the outcome of the full year, but he reports that good progress is being made.

The interim dividend is maintained at 3.5p per cent. gross—2.06p net per 25p share. Total for 1972-73 period, £3,071.4 per cent., paid from net profits of £774,000.

Balance-sheet of the banking group at September 30 shows balances with bankers, money at call, etc., £57,69m. (£47,42m. at March 31). However, the group stood at £22,25m. (£16,43m.) and deposits, etc., totalled £78.8m. (£61.96m.).

Statement Page 17

Wolverhampton Die Casting to improve

Profitability so far in the current year of Wolverhampton Die Casting Group has been up to expectations "and we feel reasonably confident that the half yearly figures will show a significant improvement on the achievement for the corresponding period last year."

This was the message given to shareholders yesterday by chairman, Mr. A. K. Wheeler, at the annual general meeting which was held for the whole year. He added that for the whole year he was unwise to forecast because of uncertainties created by shortages of zinc, the energy crisis and by the recent apparent changes in the Government's economic policies.

Earlier, he reported that both operating subsidiaries had full order books and activity had been at a high level for this year.

To meet demand and offset problems in recruiting personnel capital expenditure was being increased, aimed specifically at improving productivity.

Mr. Wheeler pointed out that the company's zinc supplier earlier this month found it necessary to raise its price and while Wolverhampton had in the short term been able to obtain additional supplies at a much higher price there is considerable uncertainty as to the future.

Charterhouse Investment

Including deposit interest and other income of £38,000, against £7,000, gross revenues of Charterhouse Investment Trust rose from £303,000 to £356,000 for the half year ended October 31, 1973.

Revenue before depreciation advanced from £291,000 to £297,000.

An interim dividend of 1.05p net is declared, equal to last year's 1.5p gross per 25p share.

Net assets attributable to ordinary shares, including investments at market value with full dollar premium and after providing for the interim dividend stand at £13,150, against £16,990, or £1.30 per share against £1.52.

For the year ended April 30, 1973, revenue before tax was £533,000 and dividends totalled £25p. Net assets stood at £14,59m. or £1.29 per share.

£23,000 which would normally have been received in the half-year ended April 30, 1973 because of the transitional provisions of the imputation system of taxation.

Half year

Dividends and interest

Deposits interest etc.

Expenses

Debt, and bank interest

Revenue before tax

Leisure & General

Mr. T. L. Porter, chairman of Leisure and General Holdings, told yesterday's annual meeting that he was confident the growth of



Sir Eric Yarrow, chairman of Yarrow and Co., who yesterday reported a £2.5m. jump in pre-tax profits to £3.45m. for the year to June 30, 1973.

DIVIDENDS ANNOUNCED

Company	Current payment	Date of payment	Corre. of dividend	Total of dividend	Total of last year
Arbuthnot Latham	2.06p	Dec. 17	3.6p	5.66p	5.66p
Belgrave Assets	0.28p	Dec. 19	0.55p	0.83p	0.83p
Cambrian and Gen.	4.5p	Dec. 18	4.5p	9.0p	9.0p
Chamberlain Phipps	0.93p	Dec. 22	0.8p	1.73p	1.73p
Charterhouse Inv.	1.03p	Dec. 31	1.3p	2.33p	2.33p
Chesterfield Props.	0.75p	Dec. 18	1.3p	2.05p	2.05p
Godfrey Davis	0.75p	Dec. 19	1.3p	2.05p	2.05p
Moss Engineering	2.06p	Jan. 9	2.75p	4.81p	4.81p
Pochin's	1.5p	Dec. 31	7p	2.2p	2.2p
Property Inv.	3.0p	Dec. 31	3p	6.0p	6.0p
Safeguard Industri.	7.5p	Dec. 31	7.5p	15.0p	15.0p
United Industri.	7.5p	Dec. 31	7.5p	15.0p	15.0p
Ward and Goldstone	4.2p	Dec. 31	4.2p	8.4p	8.4p
Yarrow	2.06p	Jan. 4	1.5p	3.56p	3.56p
Zanabasis	1.05p	Jan. 4	1.5p	2.55p	2.55p

On capital increased by rights and/or acquisition issues. (a) Net—equal to last year's gross. (b) Net 2.5p. (c) Net 2.5p. (d) Net 2.5p. (e) Net 2.5p. (f) Net 2.5p. (g) Net 2.5p. (h) For 15 months.

Clan Motor in takeover negotiations

A major public company is negotiating to take over Britain's latest independent car manufacturer, the Clan Motor Company of Washington, County Durham, currently hit by a financial crisis.

Mr. Paul Haussauer, Clan managing director, said after a meeting of creditors yesterday that the unnamed company already had some interests in the motor trade and that Clan would "fit neatly into its sphere of operations."

Ironically the crisis has hit Clan just after the biggest boost to its prestige—a motor show gold award for coachbuilding on the Clan Crusader beating off a challenge from the British Leyland sports cars.

Production at the Washington factory has been at a standstill since mid-October although some of the 51 employees offered to work without wages to put operations on a sound financial footing.

Turnover is up from £4,637,397 to £5,317,322.

The directors say second half pre-tax profit was £67,320, compared with £58,010 for the first half, but stress that the first half figures are generally better for seasonal reasons.

Since the year-end the group has disposed of its Pontefract and Shipley supermarkets. The benefits from this transaction, which provides an advantageous rental income, will apply to the current year.

The group trades as wholesalers of household electrical proprietary and fancy goods.

Safeguard looks for more income

Subject to certain factors, indications of an increase in income next year for Safeguard Industrial Investments are favourable, says Mr. E. F. Plumridge who will be disappointed if this is not achieved.

Although currency and political problems still exist, the chairman says that "we can with unity of purpose between all sections of the community overcome our difficulties and then we have a great future."

Mr. Plumridge says that if this is not achieved, then the outlook is indeed worrying.

As reported in October, gross revenue for the year to September 30, 1973 was £474,586 against £421,780. The total dividend is effectively raised from 12.8 per cent. to 13.74 per cent.

The theoretical break-up value of the company is £9,261,572, equivalent to 84.2p per share compared with 82.2p (as adjusted for the scrip issue) last year.

The chairman regards this as a satisfactory outcome, reflecting the emphasis placed on the capital value of the portfolio as well as on income.

Meeting, 87 Eaton Place, December 11, noon. Chairman's Statement, Page 26

Chesterfield Props ahead at midway

Pre-tax earnings of Chesterfield Properties for the six months to June 30, 1973 rose from £552,000 to £603,000 and the interim dividend is 0.7p per share net, equivalent to the 1p paid previously.

Total for 1972 was £3,575p paid from profit of £742,375 before tax.

Reviewing operations the directors say that 80 per cent. of office space in the group's first two developments in Paris has been let. Final planning consent covering all but one of the 11 projects previously reported has now been received. The group also has projects in Bordeaux and Lille.

BIDS AND DEALS

Haden's £1.3m. for French minority

Haden Carrier announces that agreement has been reached, subject to shareholders' approval and subject to obtaining all necessary consents, control of the company will be acquired by the French minority shareholders in its principal French subsidiary, Société Carrier.

Profits before tax of Société Carrier, before deducting amounts attributable to the minority holdings now being purchased, have increased from some £378,000 for the year ended June 30, 1968, to around £1,001,000 for 1972. Net tangible assets of Société Carrier at December 31, 1972, were about £2.1m.

The directors of Haden Carrier consider that Société Carrier will continue to trade successfully and that the acquisition will yield benefits for the whole Group.

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CHLORIDE EXPANDS IN ITALY

Chloride Group has further expanded its activities overseas, this time in Italy with the acquisition of a 60 per cent. interest in Industria Composita Stampate SPA for £1m. in cash.

ICS is a private company with an annual turnover of about £5m., operating from works employing some 500 people near Milan.

The company is claimed to be Italy's largest moulder of thermoplastic, thermoset and rubber components and battery separators and an important supplier to the Italian battery and automotive electrical manufacturing industry.

ICS will complement the activities of two Chloride's U.K. companies—Chloride Lorival and Chloride Shires—manufacturers of high technology plastic mouldings and sanitary ware.

STANLEY GIBBONS EXPANSION

Stanley Gibbons International has bought the capital of Stanley Gibbons Merkur G.m.b.H. which on November 16 acquired the stock of certain agreed debtors and creditors, assets and goodwill of the H. D. Fraser stamp business carried on in Frankfurt, Main, by Mr. H. O. Fraser under the name Briefmarkenshaus Merkur.

Consideration is DM1,701,832 (£274,320), satisfied by DM250,000 (£40,447) cash and balance by issue of 296,040 SGI Ordinary shares at 75p per share.

Mr. Fraser has been appointed managing director of Stanley Gibbons Merkur and has joined the Board of SGI. He intends to retain the shares.

Turnover of the Fraser stamp business in the year 1972 was DM1,501,513 (£250,192) and pre-tax profit DM243,107 (£39,160).

MAY & HASSELL

MAY AND HASSELL is to acquire Midland Joinery Works, a private concern, for about £750,000. The

deal is seen as representing an important increase in M. and H. interests in timber-based manufacturing.

The Midland shareholders are being offered either M. and H. shares or cash. In 1972, Midland pre-tax profits amounted to £22,358, compared with £31,987 in previous year. For the current year a figure of £110,000 is being forecast. The company's tangible assets at December 1972, had a book value of £243.15, although a recent professional valuation of properties threw a surplus of £266,926.

CAPE ASBESTOS SWEDISH VENTURE

Svefab of Sweden and The CA Asbestos Company have agreed subject to receiving the necessary Government and exchange control approvals, to form a joint venture to manufacture fibre materials in Sweden.

Svefab, a state company, is concerned with the setting up of industries in Sweden's development areas. It has acquired a 50 per cent. interest in a Swedish asbestos manufacturing company in Gothenburg. SBF will retain its existing facilities in Gothenburg and build a new Kym factory at Sollefteå, north of Stockholm.

Cape Asbestos will acquire 51 per cent. of the equity of SBF, being retained by Svefab. The wholly-owned subsidiary of CA Asbestos and manufacturers Don Friction Materials, will know-how to the new venture from their extensive research, development and production facilities in Manchester.

The factory, which is anticipated to come into production in 1975, will initially employ people.

SBF will promote sales to Scandinavian original equipment and replacement markets as part of the production will be exported. It is not anticipated that the new plant will mean cut-back in production in Manchester factory which continues to be expanded.

MACLEHOSE

Howard and Wyndham of the Ordinary and Preference stock of Maclehoose Group has been extended until further notice.

More bids, Page 26

WHICH SECTORS ARE LEADING?

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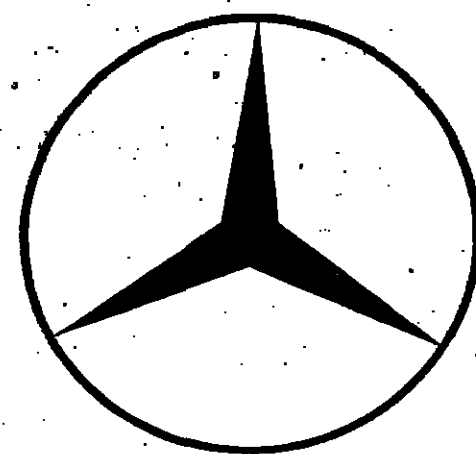
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Mercedes-Benz continue progress into 1973



Dr. jur. Joachim Zahn, Chairman of the Board of Management.

Despite more difficult market conditions and strong competition in 1972, Daimler-Benz have continued the successful progress made over the past few years into 1973. Production and sales during the course of the present year, already show a further upward movement. About 1,000 Mercedes-Benz passenger cars were built during the first six months of 1973, an increase of 3%. Follow-up changes in the upper part of the range of cars, the chassis was placed on efforts to increase production of six and eight cylinder models in the new "S Class". Production of these types including SL and SLC models, stepped up by about 29% to about 44,000 vehicles meet the increase in demand.

The group's entire production of trucks, buses and coaches throughout the world rose to about 112,000 during the first six months of 1973, an increase of 10%. These, 93,000 (+8%) were produced at home.

As for the whole group for the same period were 7.8 billion DM and were about 17% higher than the first half of 1972.

A million vehicles in 1972

An important milestone reached along the way to these 100 million was the production of more than 500,000 vehicles by the whole group in a single year for the first time. The volume of sales rose by 9.5% over the previous year to 13.9 billion DM. With a turnover of 7.4 thousand million DM on the home market, and its comprehensive range of products, Daimler-Benz is ahead of all its competitors and is now Europe's leading manufacturer of first-class six and eight cylinder saloons with a monthly output of 12,000 units.

The automobile industry continues to be greatly affected by the changeable overall economic position. Competition is much more difficult, particularly in export markets, because of the monetary policy situation and continuously rising costs. The successful results for 1972 can be attributed to the Company's business and product strategy, build-up in capacity, over recent years and the sense of commitment of Daimler-Benz employees, together with the policy of wide-spread market coverage both at home and abroad.

It's new in the Mercedes-Benz Range?

New models are indicators of results obtained during intensive research and development work. In the spring of 1972, four models were introduced at the very top of the successful 200-250C model range: 280, 280E, 280C and 280CE. They marked the introduction of a new 2.8 six-cylinder twin overhead camshaft engine of very advanced design.

The new S Class range followed in the autumn, the 280S, 280SE and 350 SE models. Such is the level of progress achieved by these new models that it is possible to expect safely of a significant break through. The S/SL range was further extended in March 1973 by the addition of new 4.5 litre models, 450 SE, 450 SEL, 450 SL and 560 SLC.

The compact four- and six-cylinder range, from the 200 to the 280 CE was augmented last August by the addition of a new 240 Diesel and 230 4 while all the models in the range were improved in a number of ways mainly through the application of newly-acquired knowledge in the fields of safety and environmental protection. This successful range of models, first introduced in 1968, has passed the million mark.

At the same time the commercial vehicle range was extended and now includes the new 16-26 ton tipper class and a new building industry. This marks a considerable step forward in technology, manoeuvrability and comfort for the driver in the cab.

Production targets surpassed

A total of 323,878 passenger cars were manufactured in 1972 compared with 284,230 in 1971. The demand for economical, low-pollutive diesel cars increased home by 16%.

Group production of commercial vehicles in 1972 totalled 201,937, the increase over the last three years in this sector coming wholly from factories abroad.

Business in the commercial vehicle sector in 1972 was difficult, particularly on the domestic market. A special effort had to be made in the export field in order to safeguard employment in the factories at home.

Investment programme continues as planned

Over the last four years the firm's domestic capital investment amounted to 3.1 thousand million DM, the figure for 1972 being 672 million DM.

Production of passenger cars has risen steadily. It has increased since 1965 by 86.1%—three times more than the average for the entire German West motor industry.

In the commercial vehicle field, the main investment task was to arrange large scale production of a rationalised programme so as to intensify our ability to compete on the international market. This we were able to do by re-organising the structure of our production division and by incorporating existing capacities.

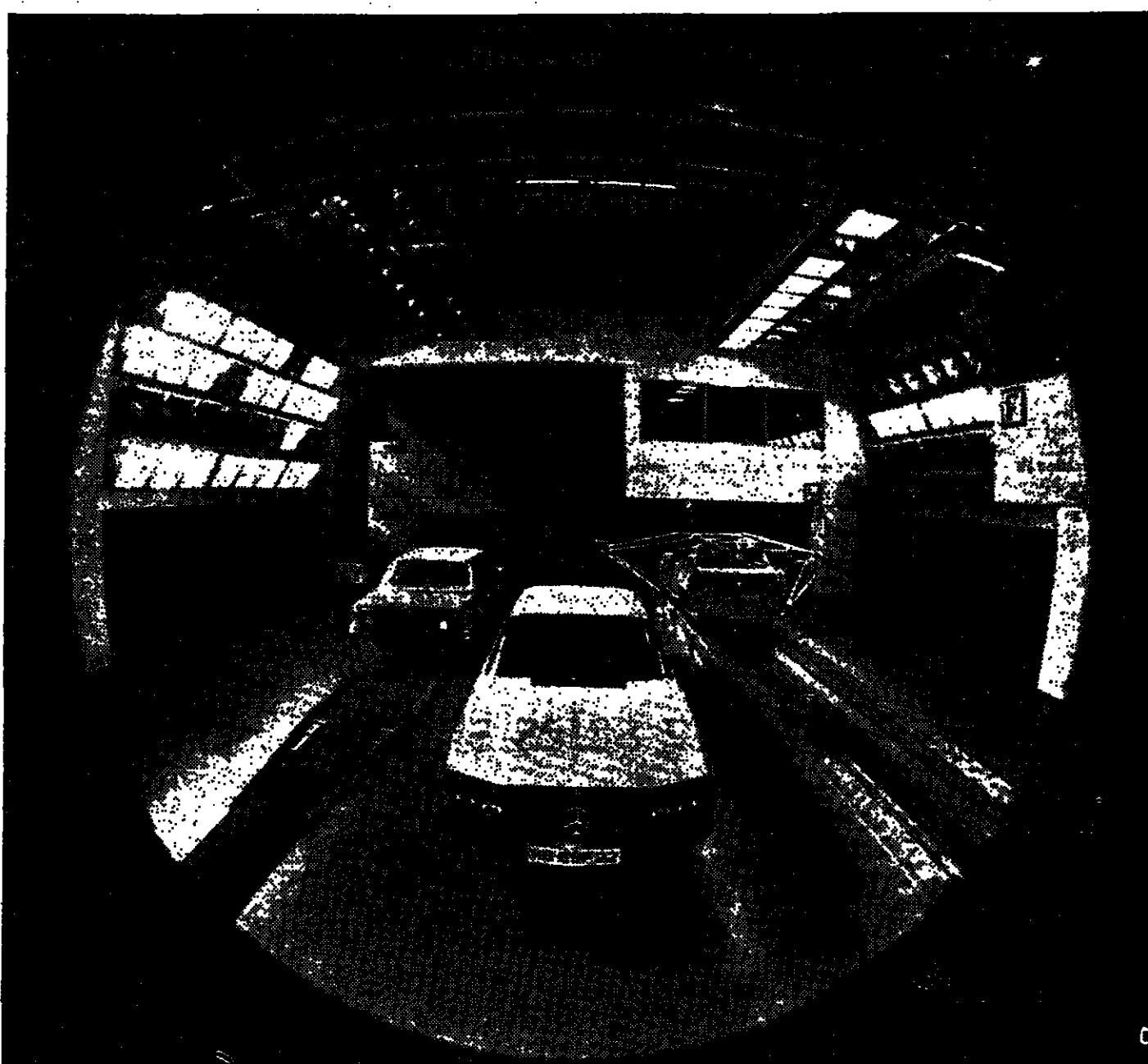
Well-balanced company structure

The break-down of sales for the entire group shows passenger cars accounting for 46.7% and commercial vehicles 45.9%. The share of export sales in more than 160 countries was 47%.

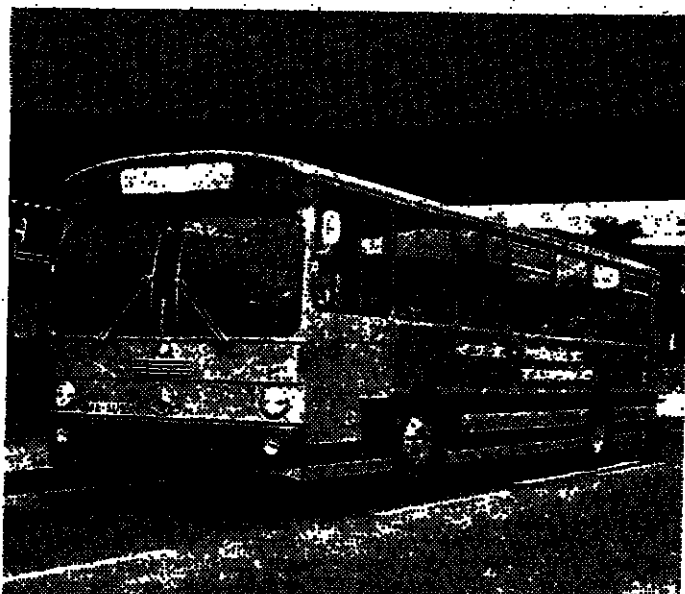
The European market accounted for more than 80% of the turnover of the West German factories when domestic sales are included.

Priority for safeguarding the future

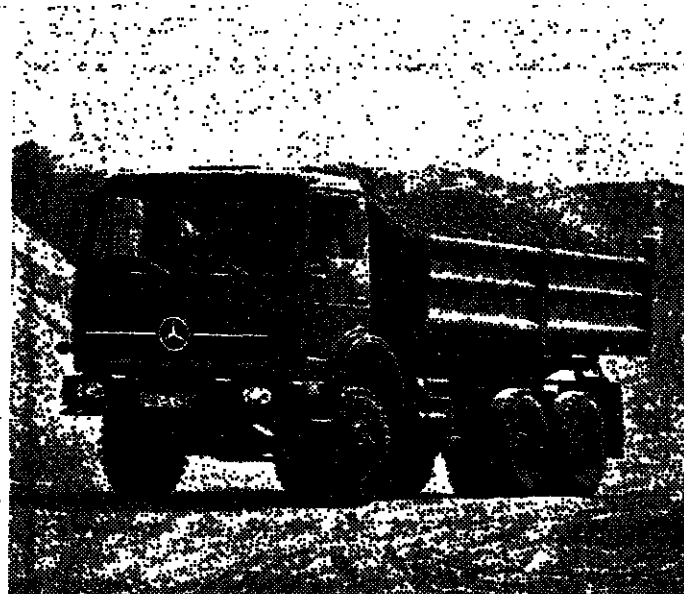
Daimler-Benz has laid down clear priorities for the future of the firm and of its employees. Comprehensive research and development will further improve our products as far as safety and environmental protection are concerned, and will make them even better suited to modern traffic conditions.



This "fish eye lens" view of the new Safety Research Centre at Sindelfingen, shows the various test devices used to simulate road accidents under laboratory conditions.



Ecologically "friendly" City buses, with special low-pollution Diesel engines, and noise encapsulated engine compartments are now in series production. The O 305 city bus already meets the stringent California limits of 1975.



A new range of heavy tippers and dumpers for the building industry was introduced at the Frankfurt Motor Show. These forward-control trucks in the 16-26 ton class meet the highest demands for performance, economy, safety, maintenance characteristics and endurance.



Two new saloon cars entered the range recently — the 230 4 with 2.3 litre 110 hp engine, and the 240 D, with 2.4 litre, 65 HP Diesel engine. Together with the other compact-bodied cars in the 200 — 280 CE range, they incorporate styling changes and measures to reduce soiling of windows and rear lamps by road dirt.

Here are one or two examples of what has already been done:

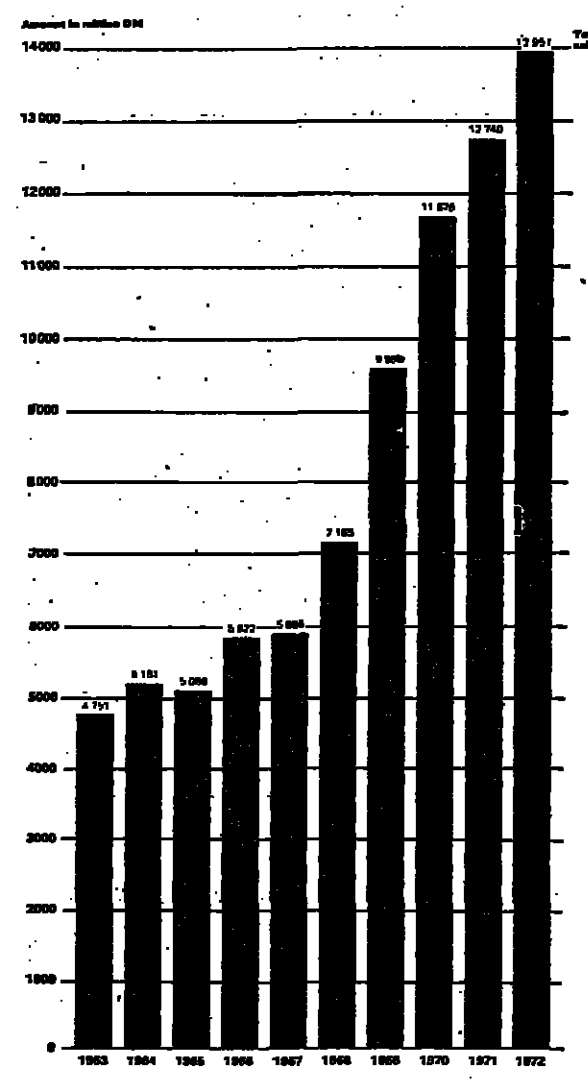
The LE 306 electro-transporter, presented in May, 1972, has been handed over to a large German concern for practical application.

The O 305 "whispering bus" is already on the market. It is the first German series-production bus with the engine encapsulated to reduce noise. All that can be heard at speeds in excess of 40km/h is tyre noise.

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Daimler-Benz Aktiengesellschaft Stuttgart

WALL STREET OVERSEAS MARKETS Down 28 and largest fall for 11 years

BY OUR WALL STREET CORRESPONDENT

THE RECENT SLIDE resumed on Wall Street today, and the Dow Jones Industrial Average recorded its biggest single-day plunge in more than 11 years.

The Industrial Average dropped 28.67 to 886.66—its fifth largest loss and its worst since May 23, 1962, when it fell 34.83. The NYSE All Common Index gave way 17.73 on the day at 333.76, while losses outpaced gains by 1,403-107 trading volume, however, sharply decreased by 5.51m shares to 16.7m.

Early selling was sparked off by an Arab denial it would soon lift the oil embargo to the U.S. and also, word that Washington was considering a ban on Sunday petrol sales.

Oil Ministers, representing 10 Arab nations, said in Vienna over the week-end they would continue a total oil embargo against the U.S. and the Netherlands. This contrasted with a remark by President Nixon on Friday that he considered a lifting of the Arab boycott to the U.S. was a possibility.

The President's Emergency Action Group also proposed a sharp reduction in the use of heating oil, both at home and in industry.

Sharp losses hit Oils, Motors and Chemicals.

Among Oils, Getty surrendered \$12.10 to \$14.35, Standard of California \$2 to \$14.85, Superior Oil \$10.10 to \$23.11, Exxon \$3.10 to \$32.10, and Mobil \$2.10 to \$24.10. Atlantic Richfield were down \$4 to \$58.20.

In Chemicals, Du Pont fell \$3 to \$18.11, Union Carbide \$2 to \$24.10, Monsanto \$4 to \$54.10, and Dow Chemical \$2 to \$55.10.

Ponderosa Systems were down \$5 to \$43.10, McDonald's \$4 to \$33.10, AMF \$2 to \$22.10, Outboard Marine \$3 to \$22.10 and Disney \$4 to \$49.10.

Ryder System fell \$4 to \$23.10, and Emery Air Freight \$3 to \$33.10. General Motors dipped \$2 to \$33.10, and Chrysler \$1 to \$22.10.

Auto Workers Union formally announced they have reached Agreement on new contract. Ford lost \$2 to \$43.10, and Chrysler \$1 to \$22.10.

Xerox dropped \$3 to \$128.10, IBM \$8 to \$276.10, Polaroid \$4 to \$90.10 and Fairchild Camera \$8 to \$33.10.

Sperry Rand lost \$1 to \$47.10, and Honeywell \$3 to \$90.10, they would not appeal the judgement in the patent infringement litigation.

National Semiconductor dropped \$10 to \$81.10.

Gold Mining, however, gained around. ASA added \$5 to \$47.10, it raised its semi-annual dividend to \$3 (25) cents per share.

Homebrew \$4 to \$12.10, Peche's offer for up to 1.5m shares at \$21.50 each expired on Friday.

Macy's fell \$2 to \$20 on lower first-quarter net earnings.

The American SE Market Value Index dropped 0.36 to 98.28, while declines topped advances by 745 against 151.

Texas International lost \$1 to \$8.10, on the abandoned merger plans with Duquesne Natural Gas.

Houston Oil and Minerals dropped \$7 to \$50.10 on lower third-quarter profits.

OTHER MARKETS

Canada lower

Canadian Stock Market was mostly lower in moderate trading yesterday morning.

The Industrial Share Index shed 2.37 to 222.94. But Metals rose to 101.95, Western Oils 3.14 to 268.09 and Papers 0.57 to 141.26.

Golds, however, moved up 3.92 to 250.77. Utilities put on 0.17 to 144.22 and Banks firmed 0.02 to 252.9.

Bow Valley Industries were off \$2 to \$32. International Nickel off \$1 to \$33.10, Noranda Mines \$1 to \$31.10 and Nucor Oil and Gas \$1 to \$3.10.

PARIS—Stocks showed a firmer trend, helped by signs of a more favourable Arab attitude towards European countries, apart from Holland.

Foodstuffs, Electricals and Motors firmed. Buildings, Mechanicals, Metals and Chemicals were narrowly higher. Banks and Portfolios were irregular, while Oils were steady.

Internationals held generally firm with Americans, Germans, Dutch and Canadians posting gains. Oil and Gas were mixed, while Coppers eased.

BRUSSELS—Generally lower. Transport, Electricals and Motors, Electricals and Utilities were firmer. But Calsberg declined DM3 to DM85. Secondary Chemicals were mixed, while Stores were weaker. Metallgesellschaft moved up DM10 to DM22.32.

In the Bond Market, public issues were generally higher. AMSTERDAM—Alko and Royal Dutch each eased in narrowly mixed Dutch Internationals.

Losses predominated in Local issues. Shippings and Insurance were lower. Helvetien, shed Fls.35 to 332 and Océ Fls.35 to 214.5, Pakhoed, RSV and also showed sharp setbacks.

State Loans firmed. SWITZERLAND—Markets edged higher in a moderate turnover, with prospects of an easing in the foreign sector. Dollar stocks were firmer, including Brown Boveri, up Frs.35 to Frs.37.5.

State Bonds were little changed. Marginal gains featured the Foreign sector. Dollar stocks were firmer, including Brown Boveri, up Frs.35 to Frs.37.5.

Dutch Internationals were steady, while Germans regained part of their recent losses.

MILAN—Market closed generally 11-14 per cent. Long-term Eurodollar rates were as follows: two years 9.4 per cent; three years 9.8 per cent; five years 10.2 per cent.

The following nominal rates were quoted for London dollar certificates of deposit: one month 10.1 per cent; three months 10.5 per cent; six months 10.8 per cent.

* Rates are nominal closing rates. † Short-term rates are call for sterling, U.S. dollars and Canadian dollars and two-day notice for sterling, marks and Swiss francs.

NEW YORK, Nov. 19.

Sterling improved against most major currencies yesterday, with the Washington Currency Agreement of December, 1971, narrow margin to 17.48 per cent, from Friday's 17.54 per cent, while a terms of the dollar it rose 40 points to \$2.900-2.910 (a gain of about 0.17 per cent). The day's movement in U.S. gold policy with short-term Euro-dollar rate 10 1/2 per cent, and the freedom to buy gold, came too late in the day to test reaction in any degree. The gold market was quiet throughout, and the U.S. 91, but was fixed in the morning at \$350.00 (237.77), and in the evening received an ounce of gold at \$350.00 (237.77). New deals, Gold fell 25c an ounce to \$347.28, and on balance to \$347.28, while the dollar was strengthened initially by the week-end's development in \$75-77, and half at \$45-47, with the Middle East oil supply situation, recorded some good gains in the morning, and although falling back subsequently, was modestly stronger against most currencies.

EXCHANGE CROSS-RATES

Nov 19	Nov. 18	Nov. 17	Nov. 16	Nov. 15	Nov. 14	Nov. 13	Nov. 12	Nov. 11	Nov. 10	Nov. 9
Franklin		2,971 573	-2,670 70	6,816 90	6,157 167	96 58	11	27 47		
N. York	38 78 80		-22 70 72	2,980 102	22 90 91	37 20 35				
Paris	170 45 47	4,382 3925		17 35 39	10 82 82	104 35 37				
Bremen	15 15 63	2,390 291	1,677 975		92 35 35	1076 67 69				
London	15 15 63	2,390 291	1,677 975	92 35 35		840 41 44	7 56 57			
Amst. Am.	133 975 2262 6987 92	0 886 900		2 32 32	6 29 29	426 42				
Swiss	1 2 12 82	3 160 63	71 76 61	8 105 187	6582 6580	117 95 90				
U.S. \$ in Montreal 1,0024 36 Canadian \$ in New York 0,9975 80 U.S. \$ in Milan 688 40 Sterling in Milan 14313 10 (in Commercial)										

REPORT FROM SCOTLAND: THE DRUMBUIE INQUIRY

BY CHRIS BAUR

Oil money versus the environment

IN THE somewhat incongruous setting of a cramped hotel lounge, in the tiny Wester Ross community of Balmacara, a platoon of Scotland's leading lawyers is struggling to decide the fate of about £400m-worth of prospective oil business, at a public inquiry ordered by the Scottish Office.

That, rather starkly, is the issue arising from the joint application by two leading civil engineers, John Mowlem and Taylor Woodrow Construction, for permission to construct concrete offshore oil production platforms at Drumbule, on the south shore of Loch Carron. The companies, which had been competing for the same 90-acre site (partly-owned by the National Trust for Scotland) have since joined forces and now say they hope to build as many as nine of the huge structures, valued at between £20m. and £30m. each, during the next 10 years.

Norwegian

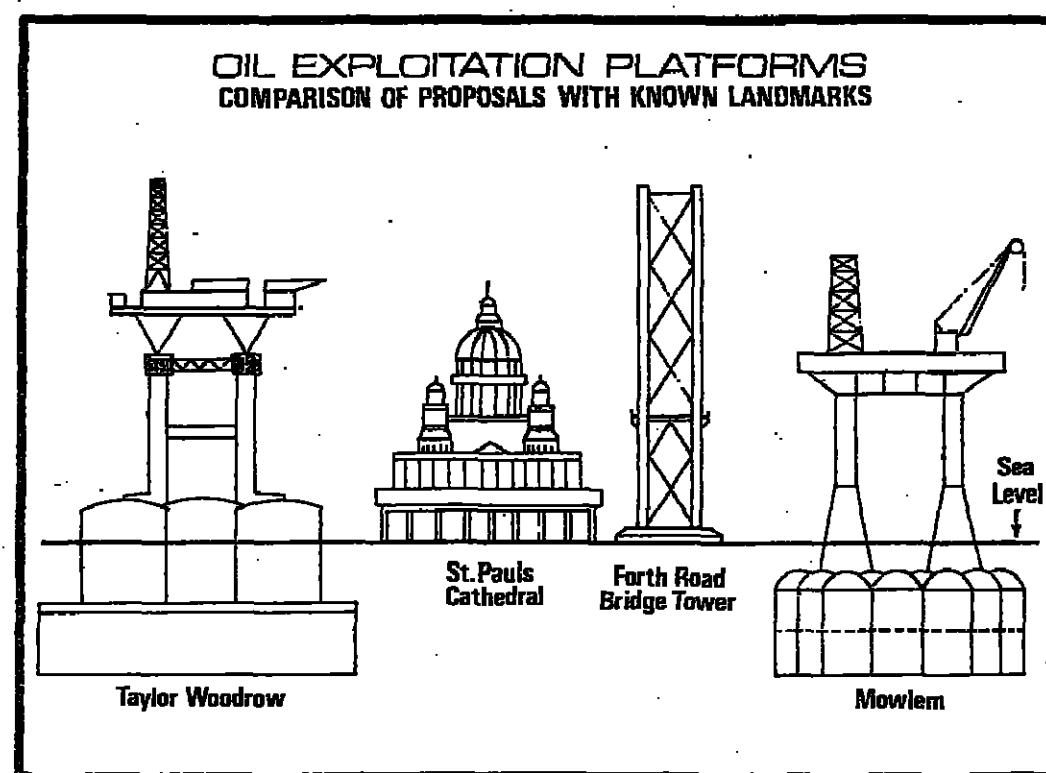
The main lines of the companies' case for development in this remote crofting region were clearly drawn on the inquiry's first day. There has been much reference to "the national interest" in promoting a platform yard at Drumbule as virtually the only way in which British companies might hope to compete with the successful Norwegian consortia which have so far cornered this lucrative market.

This point has been emphasised already by the fact that the first three concrete struc-

tures so far ordered for use in setting of a cramped hotel lounge, in the tiny Wester Ross community of Balmacara, a platoon of Scotland's leading lawyers is struggling to decide the fate of about £400m-worth of prospective oil business, at a public inquiry ordered by the Scottish Office.

It is this emphasis on the "national interest" which makes Drumbule so important: it is also what causes the deep sense of unease which is felt, particularly in the Highlands, about the appropriateness of an industrial project of this scale and style, and the capacity of existing planning procedures to assess the alternatives. The companies have not attempted to conceal the extent of the pressure they are under, both from the oil companies and from the Government—specifically the Department of Trade and Industry. A DTI memorandum circulated for the assistance of the inquiry indicates just how strong that pressure has become.

It points out that between 30 and 50 oil production platforms will have to be installed in U.K. waters of the North Sea by 1990, if the estimated annual production rate of 70-100m. tons of crude is to be achieved by then. The Department assumes that up to 50 per cent. of these structures will be of the concrete "gravity" design, which have a cost advantage over steel structures in deeper offshore sites. This implies a demand for about 20 concrete platforms during the next ten years, says the memorandum, with a peak need for as many as



six in some years during the next six to seven years.

Deep

The design of concrete platform currently favoured by the oil companies requires very deep water for construction—between 250 and 300 feet. It is this factor which apparently ruled out construction either on the existing East Coast sites where shallower-water steel platforms are being built, or on the Clyde where there are compelling employment reasons for seeking the work.

Mowlem has since last October examined some 25 sites, largely in North-West Scotland. The DTI commissioned an engineering survey which concluded that only three locations

would be suitable—Loch Carron, Loch Broom and Loch Hourn. Mowlem itself ruled out Loch Hourn and has settled for Loch Carron as having "the best combination of desired facilities." It has hedged its bet with an application for a second-choice site on Loch Broom, which will be dropped if it gets Loch Carron.

On the economic value of the work, the DTI says that an output averaging two platforms a year for ten years would total £400m., with 80-95 per cent. of the materials probably coming from U.K. sources. It calculates, too, that the equipment mounted on the platforms—the superstructures and associated engineering work—could have almost the same value as each platform.

Critical

If there was still doubt after all this about where the DTI's

allegiance lay, it would be dispelled by the Department's summary. "The North Sea market offers British companies an unrepeatable opportunity to get in at the beginning of a new era of off-shore oil technology. Concrete gravity structures offer considerable attraction here. There is a wide range of actual and potential benefits that the nation would risk forfeiting if, through lack of suitable sites, British industry were denied the opportunity of entering this market at what could well be its most critical stage."

If that was not enough, there is another, mostly unspoken, reason why Drumbule has found itself a focus of the "national interest." This concerns the speed with which the North Sea oil reserves are capable of being developed, the growing preoccupation with which was highlighted by yesterday's announcement of impending controls on oil and petrol distribution. Both BP and Shell have already had to delay certain parts of their Forties, Auk and Brent fields development programmes. This has happened for a variety of reasons—difficulties with some steel supplies, with welding techniques and with labour disputes.

More important, however, labour shortages, notably on the Cromarty Firth, are now evidently impairing the ability of some of the East Coast yards to quote for new business, and it is felt that they simply cannot be loaded with more platform work for those fields, like Brent, where steel is still a feasible alternative to concrete. For this reason, Drumbule is coming to be regarded as a vital "safety valve" which, by bringing new labour resources into use for the first time on a West Coast site, could help the oil companies keep within their already severely strained time-tables.

Squeeze

Without Drumbule, it must be doubtful whether the 1980 oil production targets can be met. Even with Drumbule, it will clearly be a tight squeeze. It is scarcely possible to imagine any Secretary of State for Scotland

over-ruling such a formidable catalogue of "national interests." The objections are considered particularly when some of them have been so explicitly presented to the policy cornerstones of a major U.K. Department like the DTI. On the face of it, therefore, there must be heavy odds in favour of the two companies being allowed to go ahead at Drumbule.

Objectors

But this in turn raises three other questions of "national interest." The weight that is put on them will in great measure depend on the skill and persistence with which the 300 objectors put their case at Balmacara. In the first place, however precarious it may be to define the "national interest" purely in terms of the commercial objectives of two companies like Mowlem and Taylor Woodrow, the fact is that Drumbule is needed only because of the current evolution of concrete structure design. There is now massive pressure on British companies to come up with alternatives which may not need such stringent site conditions as those demanded at Drumbule. Redpath Dorman Long, which operates a yard in Fife, has for example now proposed a hybrid structure using both steel and concrete, which can be built in shallower waters. Secondly, there is beginning to be a loss of public faith in the capacity of existing planning procedures to determine, fairly, the kind of issue at stake in "political" decisions, which have overturned the inquiry that the project marks a beginning, not an end, for the co-

Character

The project, which will attract a labour force of 600-800, will be in the midst of a hamlet whose population is 25, and on a peninsula accommodating only 1,300 people, whose largest township, Kyle of Lochalsh, is inhabited by 750 souls. The odds do not just make it "environmentally sensitive" as the Scottish Office admits: it means the project will totally and permanently alter the character of the community.

This leads to the third aspect of "national interest." Revolutionary change of this sort must not be bad—if it is organised properly and with care. The choice at Drumbule, however, is a choice at Drumbule, between permitting a kind of industrial revolution in a model community whose houses, roads and social facilities could be sustained by (and to be a loss of public faith in the capacity of existing planning procedures to determine, fairly, the kind of issue at stake in "political" decisions, which have overturned the inquiry that the project marks a beginning, not an end, for the co-

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BRANCHES AND AGENTS THROUGHOUT THE U.K.

هكذا من الأول

سكس كيو اى

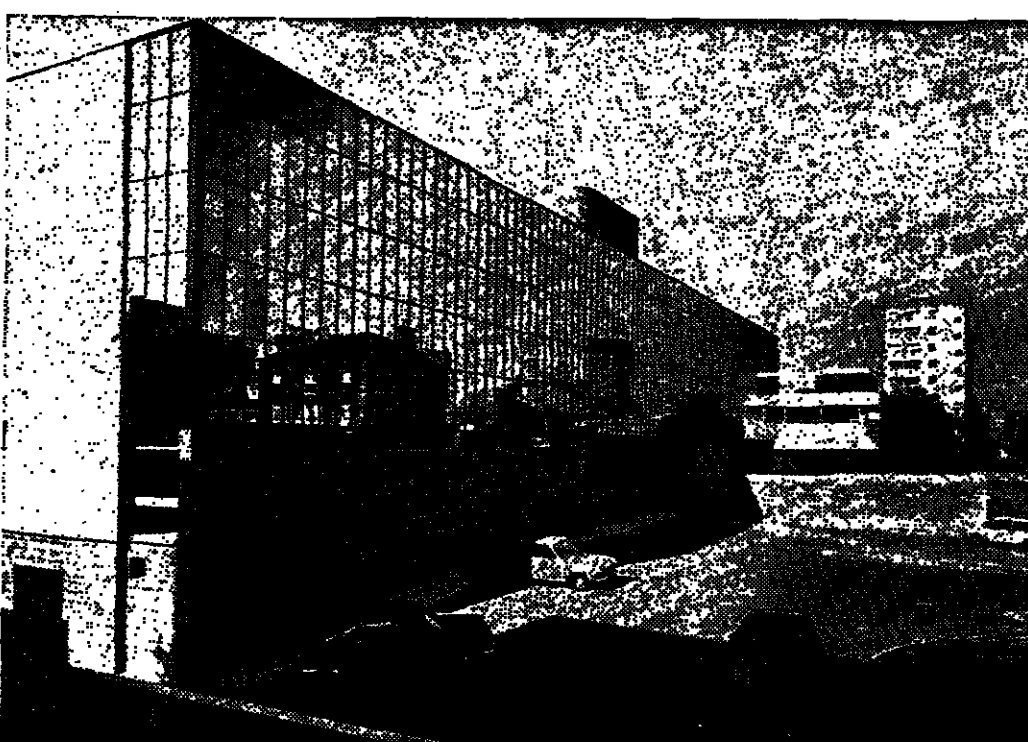
GLASS

FINANCIAL
TIMES
SURVEY

Boom a mixed blessing

KENNETH GOODING, Industrial Correspondent

Britain's glass industry—until today's oil supply news—was through one of the biggest periods in living memory. For many of the companies in the industry it was proving you can really have too much of a good thing. These companies are the glass container manufacturers who have been faced with unexpected demand nearly all year 1973. For them the problem of finding customers for their products has changed from one of pacifying regular customers who are crying out for more packages that the industry cannot provide. The problem is dealt with in a different way in this survey of the industry but some indication of its size can be gauged from the fact that during the nine months of this year series of glass containers to some trade shot up by 12.2 per cent over the comparable period in 1972. This pace cannot be maintained during the final months of the year and manufacturers expect that at the end of 1973 they will have increased around 9 per cent.



The 200 foot long Solarshield glass wall at Dundee University's new Student Association building.

is because the industry is budgeted for an annual increase in demand of about 4 per cent and has only been able to deliver containers over the few months from stocks. So the industry has been depleted at the end of the year, normally they would have been built up for the Christmas rush. We have arrived at what the industry has dubbed a "one bottle shortage" in which it is some natural tension between the container manufacturers and their customers who can see what is to be a bumper Christmas. The industry is being squeezed by their inability to produce enough packages for their customers. That can be said at the moment is that the situation will bring some good in the long run if the container manufacturers and their customers work out some way in the future of forecasting demand accurately.

Crystal glass
where in the industry U.K. makers of crystal still face severe world competition but in the boom conditions there is room for all. The established companies produce hand-made crystal glass but that order books are not delivery dates are related to the point of embarkment. This type of glass is expensive but people are willing to pay for it and there is an indication that it is now considered by some as an "investment" rather than something that is just extremely difficult to have on view, to and to use.

There are now a number of new companies making and coloured glassware. U.K. and their complaint is that the container manufacturers "we can't make it" is "we can't make it" enough. To some extent due to labour difficulties it takes time to train a blower. But training is improving, for there is a new centre at Technical College. The cheaper end of the market, the makers of mechanical glassware are also "flat out" while the makers of heat-resistant glassware are very busy and likely to be so for some time. The glass fibre com-

panies continue to expect a 15 per cent annual increase in demand for their particular product. TBA Industries, the Turner and Newall offshoot, only recently announced it is to spend £3m. on a new glass fibre factory which will produce more efficiently via a one-stage method rather than the two-stage method.

Much of this glass fibre is used to reinforce plastic which in the main goes to boat manufacture. But Fibreglass, the Pilkington subsidiary, believes it has a particularly important new product in Cem-FIL, which is a glass fibre reinforced cement. (The break-through here is that the highly-alkaline Portland cement breaks down most forms of glass fibre.)

Which brings us to flat glass and Pilkington itself. Pilkington's invention of the "float" glass process, brought into commercial use in 1959, has transformed it from a reasonably sized family company into a major concern which is probably the world's fourth-largest glass manufacturer. The float glass process has now completely transformed the world's

flat glass industry and is used by nearly all the major glass producers—some 22 manufacturers in 12 countries have been licensed by Pilkington. With the help of the substantial licensing income, Pilkington has since the mid-1960s embarked on a policy of selected overseas expansion, principally in Canada, Australia and South Africa.

Molten tin

Float glass, a process in which a continuous ribbon of glass moves out of the melting furnace and floats along the surface of a bath of molten tin, has completely replaced polished plate glass for such things as shop windows, motor cars, mirrors and so on. This is because it is much more economical to produce than plate which had to be ground and polished to produce the parallel surfaces which bring optical perfection in the finished product.

The question now is whether float glass will also eventually replace completely plate's sister, sheet glass. Sheet needs no grinding or polishing but has some distortion because of the

way it is made. The glass is acceptable for domestic glazing but not for high-quality uses. Pilkington is naturally biased and believes that float can replace sheet.

But the company agrees there are others who do not hold this view. If float is to become the one process used by flat glass manufacturers it must necessarily produce glass of at least equal quality at a more economic price. And there is the problem. Pilkington estimates it would cost about £20m. to put up a float glass plant on a greenfield site and many manufacturers shy away from this kind of capital investment. Particularly if they have long-standing sheet glass plants, written down to nearly nothing in the books, and which are still capable of producing acceptable flat glass.

Pilkington also stresses that, in the words of the recently-retired chairman Lord Pilkington "float has important, unattained objectives that we believe are within reach." Behind this statement is the knowledge that float is a developing process and that

strides are being made all the time in respect to the efficiency and speed at which it can be made.

Some commentators have suggested that the number of new float plants due to come on stream world-wide will put the industry into an over-capacity position before long. Pilkington does not agree with this view, pointing out that the industry is still in the throes of a massive reorganisation. It is not only expanding to meet expanding demand but also planning for float to be the almost-universal process. The U.K. has seen the reshaping of the flat glass industry and now the rest of the world is following. As the programme goes along, however, the industry will not necessarily get the capacity position judged perfectly—that would be too much to expect.

Home market

Pilkington has not suffered any qualms since Britain joined the EEC—it says it is too competitive in its home market to be worried about European competition.

And the U.K. glass industry in general has for many years been in contact with its rivals in the EEC—the companies know each other well and understand one another's problems.

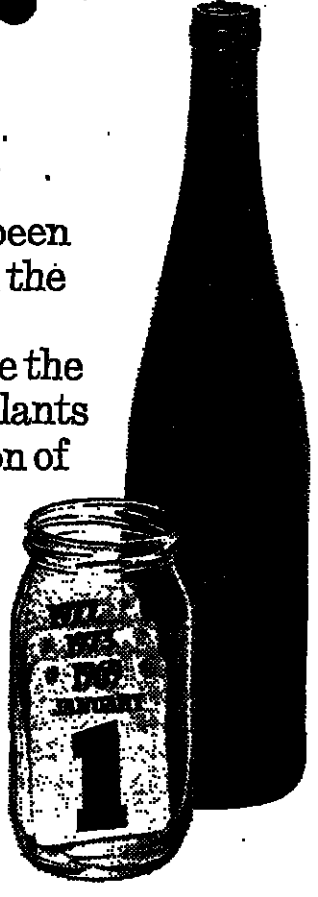
Problems brought with EEC entry are mainly of a technical nature, often involving standardisation of products and give plenty of extra work for the Glass Manufacturers Federation. But the Federation believes the Common Market will offer long-term benefits for the industry. It will widen the market for the U.K. producers, particularly when glass containers are standardised.

Who are the investors in bottle making?

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UNITED GLASS LTD.

French dominate on Continent

By GILES MERRITT, Paris Staff

In 1968 France's Boussois-Souchon - Neuvesel (BSN) launched a sophisticated but unsuccessful bid for Saint-Gobain, Europe's largest glass producer. As Europe's second largest producer is BSN, the takeover would have resulted in a mammoth, with sales almost ten times greater than those of Britain's Pilkington.

As it is, even though the two French companies have in fact found other partners since then—Saint-Gobain the Pont-aux-Francaises engineering group and BSN the Gervais-Danone foodstuffs concern—they nevertheless continue to dominate Europe's glass industries.

Subsidiaries of either of the glass plant. It had already given two French glass giants occupy a good deal of technical assistance to BSN, which at that time held 25 per cent of its capital, but very much needed to boost its production capacity of only 500 tons of float glass. The difficulty was that much of its—B.Fr.7,000m. turnover relied on export sales, mainly to the U.S., and these had suffered heavily from the recession in the building industry there and the 10 per cent import surcharge that had been imposed. As a result, Glaverbel's profits dipped well below the level at which it could afford to finance a second float glass plant and last year even its dividend seemed in danger.

Although Saint-Gobain was tipped to gain control of Glaverbel, it was BSN that in the end acquired the substantial but financially ailing Belgian company.

The settlement resulted in a reasonably amicable situation where BSN merged Glaverbel with its wholly-owned Belgian subsidiary Mecaniver and in return agreed to swap in its own holdings in SGPM's leading Belgian subsidiary. In retrospect, SGPM executives tend to view the result of the Glaverbel affair as a tidying-up of the two rival French spheres of influence in the Belgian glass industry.

But the point of the struggle for Glaverbel was not its prominent position as the manufacturer of over one third of the then EEC's flat glass for window-panes—even though production for that was running at well over 90m. square metres a year. Much more important was Glaverbel's tempting position in the vital float glass sector. The Belgian had been the first on the scene—after Pilkington, of course, with a float

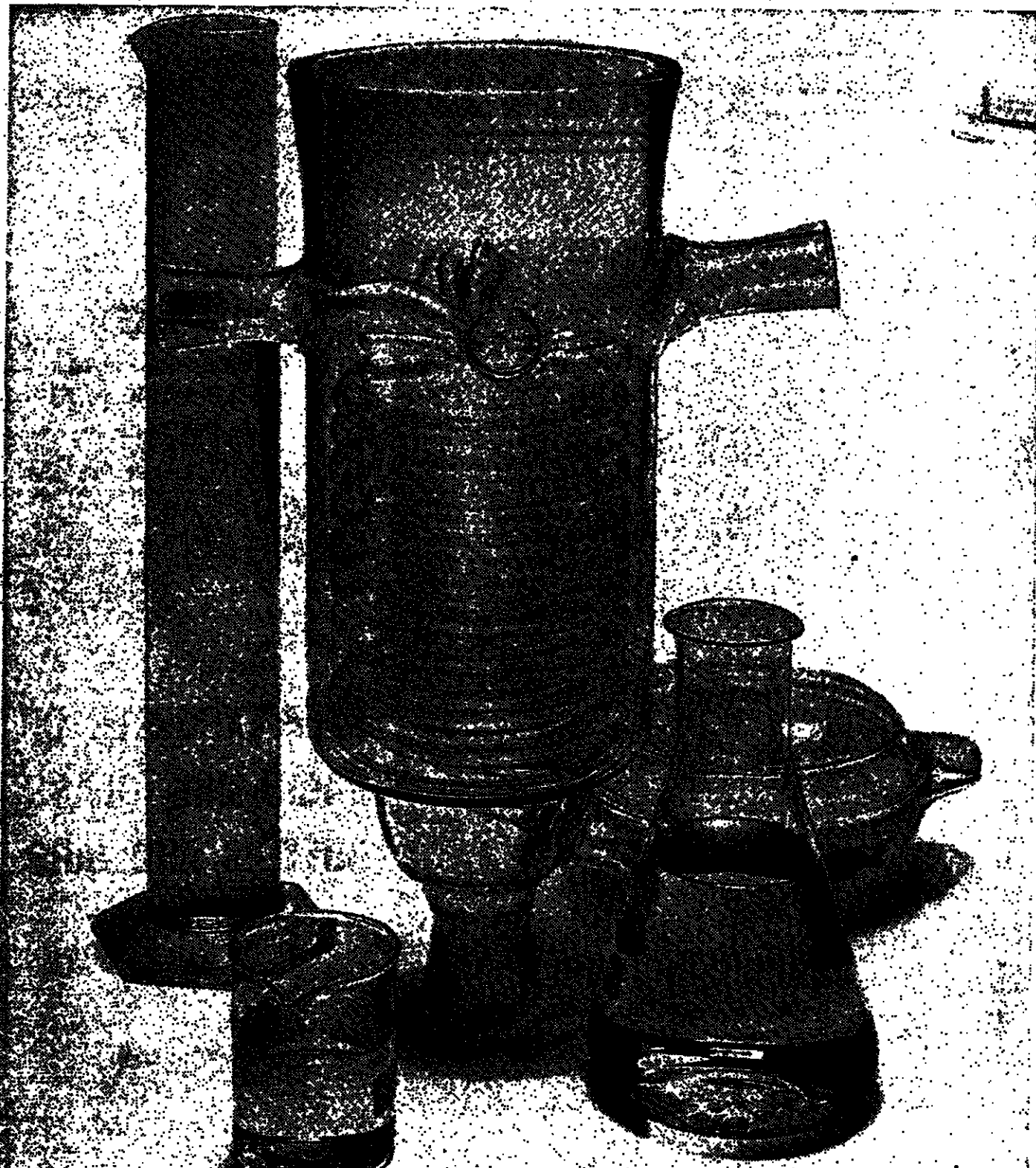
Lost ground

For BSN, which has lagged behind Saint-Gobain in the fast-expanding float glass sector, it was an ideal opportunity to make up lost ground.

SGPM, on the other hand, has been far from slow to push ahead and build float glass plants under licence from Pilkington. Between 1965 and this year it has invested in eight lines: two small ones producing 220-250 tons a day, three medium-sized lines and three large ones with a capacity of 500-600 tons.

The group is currently working on its latest float glass line at Stolberg, in West Germany. As an example of the complex hold BSN has on Europe is that the plant is being put up by its Belgian subsidiary, Les Glaceries de Saint-Roch and will be jointly operated in the same way that the two companies have already done at Anvelais, in Belgium.

Continued on next page



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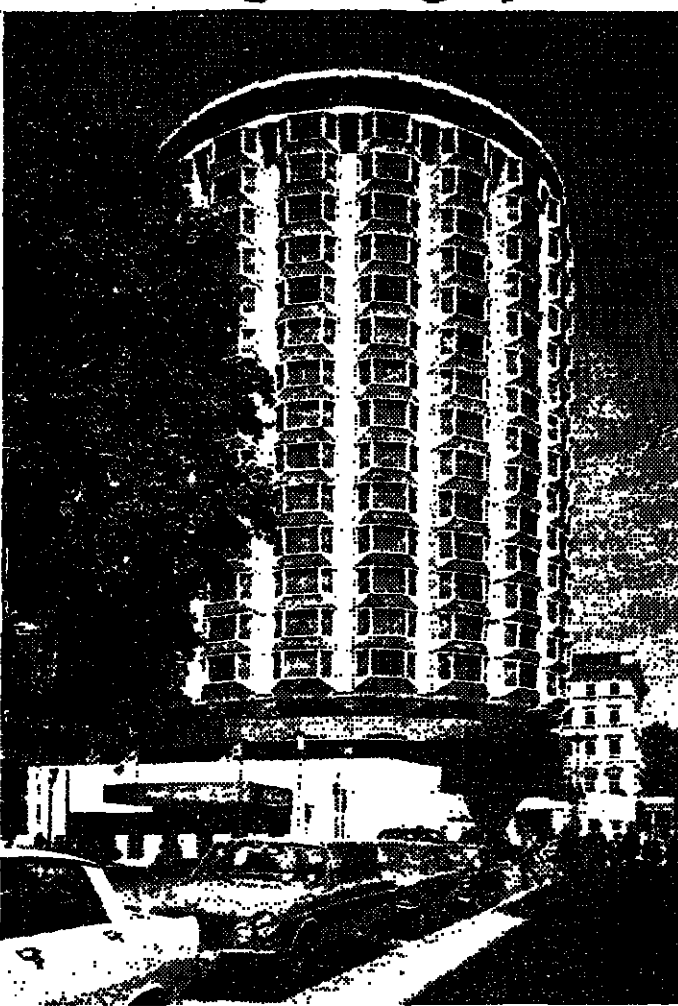
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Archts: Skidmore, Owings & Merrill, Chicago, & Yorks, Rosenberg, Mardall & Partners

London Weekend Television Building (Podium) South Bank, S.E.

Archts: Bloom, Pack & Roberts

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GLASS II

Flat glass performs well

By LORNE BARLING

The use of flat glass in its two most important areas, the building and motor industries, has recently come under increased scrutiny from the point of view of improving its efficiency. A great deal has been spent on research and some successful results have shown it worthwhile.

Manufacturers throughout the world have sought to develop glasses with improved properties in relation to heat, sound and vision. In doing so, they have provided architects and designers with a new dimension, particularly at a time when there is increased demand for environmentally sound buildings and cars.

For example, the badly designed window has now been pinpointed as one of the major contributing factors to energy wastage and discomfort in the lighter weight type of building which has evolved over the last 50 years.

Guidance has now been provided by a number of official bodies directed towards the designing professions, which is intended to help solve this type of problem. Ideal window design must provide its traditional benefits of light and outlook without incurring environmental problems.

Many modern buildings, constructed in the universal style of light frames and reinforced concrete, supplemented by the use of glass as an infilling material, have failed to produce the desired environment. This can be attributed to the fact that there was no body of knowledge and no newly-developed theory of design to provide guidance.

Solar heat

To-day, people are demanding more from their place of work and expect higher standards of comfort, but many buildings which are lightweight and highly glazed, allow solar heat in during the summer and loss of heat in winter. Urban noise is also an increasing problem.

It is felt that worldwide developments in architecture which have led to the present situation have demanded too much of the simple clear glass used. Now research and development has

provided types of glass with a greater performance range.

These performances relate in the first place to the lessening of solar heat, which is achieved by tinted, solar heat-absorbing glasses and heat reflecting glasses, which also embody various tints in reflection and transmission. These increase the heat attenuation found in clear glass (about 20 per cent.) through a range of performances to a maximum of 85 per cent.

Double glazing

Double glazing as a product is now regarded in the U.K. as more of a necessity than a luxury and its performance, complementary to tinted glass, attenuates the loss of heating energy in winter. In view of the increased attention paid to the conservation of energy, more and more emphasis is being placed on the performance of glass in reducing the capital and running costs of building services.

It is known that millions of pounds are wasted annually through loss of heat caused by inadequate insulation of buildings and there have been complaints recently that insulation standards in England and Wales are quite inadequate and well below those of most EEC countries.

It is argued that in present-day buildings the insulation of the roof and opaque parts of the wall may be very good, but this advantage is lost by the poor insulation value of a large single glazed area, whatever the other desirable qualities the window has. Thus the financial benefits of insulation are dissipated.

Some European countries have standards specifying double glazing where the window area exceeds a certain proportion of the floor area and it is considered that the approach adopted in Scotland, where insulation values of total area of external wall are prescribed, should be made applicable to the whole of the U.K.

Nevertheless, there is increasing awareness about the value of environmental control glass, with the double glazing market growing at the rate of

15 to 20 per cent. a year. Solar control glasses are currently the fastest growing market in the U.K.

Pilkington estimates that well over 4m. square feet of its solar control glass has been specified for buildings now under construction in Britain and a substantial portion will be used in double glazed windows. The company says that specifications of at least 5m. sq. ft. are under consideration for buildings at the drawing board stage, mainly in London and the Home Counties.

The principle of solar control is based on three functions of the glass. Some of the sun's energy is reflected from the surface, some is transmitted through the material and some is absorbed. However, this reduction in heat gain is not achieved without some loss of light transmission, although this can have advantages such as privacy, reduction of sky and reflected glare and more comfortable viewing conditions. New colours for tinted coatings have recently become available, including bronze, pink and silver.

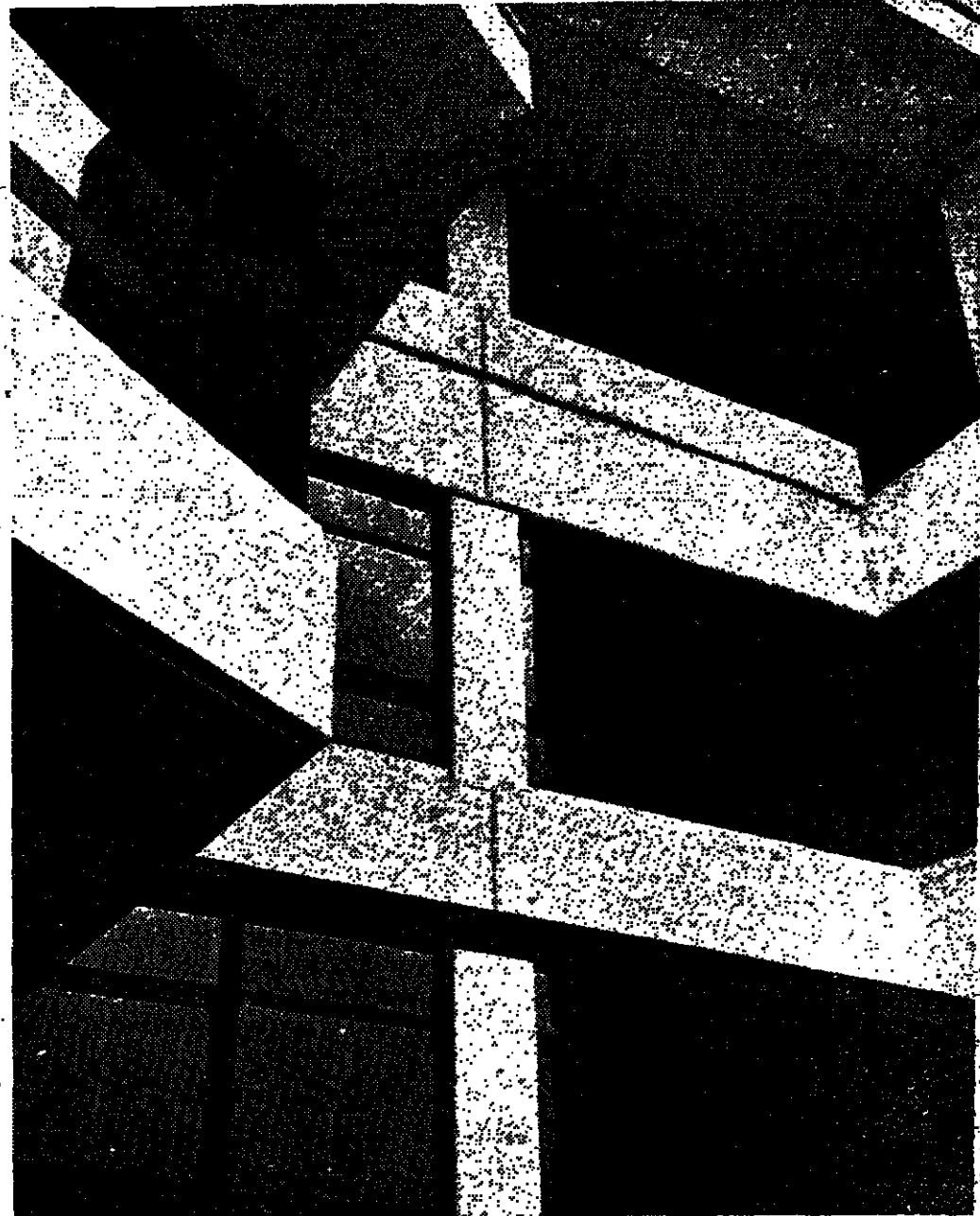
Car windscreens

In the other big market for flat glass, the motor industry, the debate on the relative values of toughened and laminated car windscreens continues to dominate the scene. Against this background, Triplex has just launched its Ten Twenty windscreen, which tests have shown to be considerably safer than both toughened and earlier laminated windscreens.

Its development has its origins in the late 1960s, when the company went back to the first principles in the search for an ideal windscreen which would remain functional after normal roadstone impact and would retain the occupant inside the car with minimum of injury.

Zone toughened windscreens, common in the U.K., Europe and Japan, have the necessary standards of transparency and durability, retaining adequate vision after stone damage, but are dangerous in allowing a victim's head to penetrate on rapid deceleration.

Conventional laminated glass, with a thicker plastic membrane introduced in 1966, has met most of the ideal requirements, but it was considered that there



Solar control glass, incorporated in Multiglass sealed double glazing units, London Weekend Television's offices on London's South Bank.

was room for improvement in laceration performance. The result is the Ten Twenty, consisting of a low stressed outer glass of 2.3 mm. for optimum stone resistance, a thermally high-stressed inner glass of 2.3 mm. for low laceration and the standard interlayer.

Sled tests carried out at Wayne State University, Detroit, are claimed to show that improvement in laceration damage compared with conventional laminated windscreens was a hundredfold. However, it will undoubtedly be some time before toughened glass wind- screens are replaced by against them.

One of the member countries in collisions.

CONTINUED FROM PREVIOUS PAGE

French dominate

and Herzogenrath, West Germany, last year. Due to go on stream in mid-1974, the Stolberg line will push SGPM's float glass production up to 3,500 tons a day and will mean that all of the group's flat glass output will be by the Pilkington method. In rough terms, the float glass capacity will account for three-quarters of SGPM's activity in the glass industry, with the remaining quarter in less high quality glass for windows.

BSN's structure, however, is almost the reverse. As a result of its Glaverbel acquisition, the group's window-glass output of 5,000 tons per day is almost four times greater than that of SGPM. While its overall flat glass production of 6,000 tons is around 50 per cent. greater.

But BSN's lead in this sector of the industry is largely a result of the group's history and its established investments in France. To achieve this it is the European flat glass sector. These commitments actually dissuaded the BSN group from pushing ahead with float glass lines at the same speed as its SGPM rival, with the result that

the extremely active BSN recently found itself faced with the threat of SGPM's more economical, quality float glass sapping its traditional flat glass market.

Not surprisingly, BSN has itself turned to float glass. In 1966 it opened France's first ever float glass line at Boussais-sur-Sambre, and in 1971 boosted the plant production capacity to 500 tons a day. In addition to the advantages of increased float glass production brought by Glaverbel, it is no secret that BSN is now aiming to raise production by the Pilkington method to 2,000 tons a day, or approaching two-thirds of the SGPM output.

In the very near future it will be starting up its new West German float glass plant at Gladbeck, near Gelsenkirchen, and it is also building another line at Mousier-sur-Sambre in France.

To achieve this it is spending half of its 1973/74 investment budget of Frs.600m. Furthermore, between 1976 and 1980 BSN is planning to build a further three major float glass lines.

Although this programme will certainly do much to help BSN catch up with SGPM in terms of the float glass market, there is no question of No. 2 outstripping its French big brother in overall terms.

Not only is Saint-Gobain-Pont-a-Mousson calculated to be the world's biggest glass-maker, scraping in just ahead of Owens-Illinois and Pittsburgh Plate Glass with its 1972 sales of Frs.13,062m. (against BSN's Frs.5,635m.), it has also maintained its European lead in the important glass fibres field. In spite of BSN's efforts to expand there, SGPM continues to control 80 per cent. of that market. To put this battle of the glass giants into perspective, French float glass production, though, it is perhaps worth 47.9 per cent. rise to Frs.605

pointing out that Pilkington in the happy position of im- tal "arms salesman" to b comes out the winner in profitability stakes.

Considerably smaller either BSN or SGPM — a P based refractory organisa recently put its 1972 con dated sales at the equivalen Frs.2,361m. for the purpose comparison—Pilkington ne Glass with its 1972 sales of Frs.13,062m. (against BSN's Frs.5,635m.), it has also main- tained its European lead in the and BSN third with 6.1 per c Even more interesting, Pilb- tons' net consolidated prof- 1972, over the previous y jumped 74.2 per cent. to a fr

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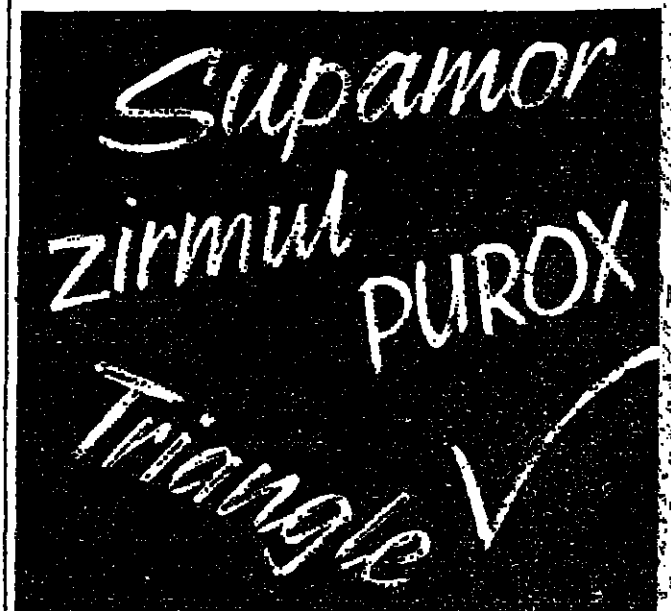
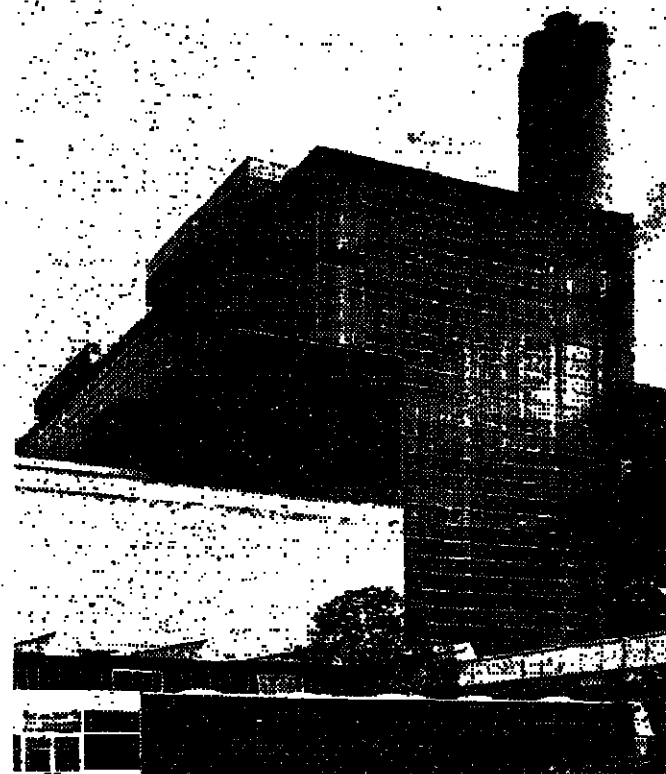
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35

LASS III

Massive demand for containers

KENNETH GOODING

You might guess it took a peculiar set of circumstances to produce the crazy situation Britain's glass container industry has been suffering during the past month or so—and will go on suffering some while yet.

One of the problems can be traced back to the April Budget when the Chancellor did two things which affected the industry indirectly. He cut the duty on wine and spirits to 10 per cent and the duty on beer to 5 per cent. This led to a rapid increase in demand for glass containers, particularly of cheaper wine which is mainly used in Britain for sale in the market.

At the same time, the Chancellor excluded soft drinks from the burden of VAT and again, had its impact. It came the long, hot summer which saw sales of soft drinks and beer soaring. These figures are 14 to 15 per cent higher than a year ago. Beer sales since April have been about 10 per cent higher than in the same period of the same year in 1972.

None of this was entirely unexpected. A problem of meeting this demand also happened to arise with a moment when types of packaging and the materials were in short supply. Brewers, for example, could hardly switch from glass to plastic for their beer bottles when demand for beer sales were already running 60 per cent in advance of 1972 and the can suppliers already unable to keep up with demand.

It was on a world-wide scale for plastic and paper and for packaging purposes that the troubles of the container industry began to appear on the scene—the non-returnable bottle.

The situation was highlighted in that the publishers of the *Dairy Trade* magazine, Sir James Barker, issued a warning in the magazine aimed at encouraging people to return their bottles. He said that the industry had lost an average of 25m. returnable bottles since then.

But it also seems that the non-returnable bottle, whose use has been spurred by the supermarket traders, has made a considerable psychological impact on the British so that they now apparently assume every bottle is to be thrown away when empty.

The attitude has also affected the soft drinks manufacturers. The bottlers of Coca-Cola are so perturbed that they are currently in the middle of a £75,000 advertising campaign aimed at encouraging people to return their bottles. When the demand shot up by 10 per cent, as it did over the last six months of this year, the industry could not cope—chances in the U.K. say that this year they have lost an unprecedented 25m. returnable bottles.



Examples of United Glass after-use containers now available to Continental shoppers.

The average number of trips is down to an estimated 22 to 23. There are vast variations from one place to another. In parts of Liverpool the "trippage" is down to three but in York it is over 60. The reasons are fairly obvious and relate to the living conditions of the people involved. In highly populated areas the return ratio is much lower (the average in London is ten trips). People who live in high-rise buildings, flats and bed-sitters and who fetch their milk supplies from a corner shop do not return the bottles so regularly.

Thrown away

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In 1972 demand for bottles was only 1 per cent up on the previous year so the industry had some leeway. But once the furnaces were working flat out, 24 hours a day, seven days a week, there was no other answer but to run down the stocks. And this was happening at a time, the first nine months of the year, when the usual practice is for the industry to build stocks ready for the Christmas peak.

It meant, too, that the glass container manufacturers were pushing on with production for the next three or four years on its plant. United Glass has invested £17m. in its bottle business over the past four years. For example, United Glass and spending will continue at this level for some time to come.

This last point was obviously aimed at those who maintain that if all bottles were returnable, the shortage would not have been so bad. But this is not true. The glass manufacturing business is not a flexible one and in the past years has aimed for an annual increase in demand of 4 per cent. When the demand shot up by 10 per cent, as it did over the last six months of this year, the industry could not cope—even if all bottles were returnable.

Many new uses in higher technology

FRED SCHOETERS

Through the building and industries with their off-take of bulk glass for use as windcreens will be the major outlet of various types for a time to come, there are possibilities that certain of glass with a much technology content even the latest safety windscreen from Pilkington will become an extremely important product of the industry.

When the scene was set some years ago the first fibre bundles developed to produce "pipes" capable of transmitting images clearly and, however convoluted, followed by the fibre optic cable.

Initial application of the fibre was made by Ferranti as a cathode ray tube to surface more suitable to avoid work the image of which it was required to store. Here the fibre was of the same dimensions as the face of the cathode ray tube which the image was taken. Recently, Jaguar announced that in its latest light was being piped to a central source to illuminate the instruments on the dashboard via these light pipes which fine filament of glass or plastic coated with a special reflective coating. The fibre, though undergoing reflections from the surface of the fibre, suffers little loss over quite considerable distances.

Large planes

Similar techniques to the transmission of light between major components of the instrumentation of large aircraft and civil aircraft promise to make a loss of data or on-computer malfunctions, essential interference, spikes and so on, a thing of the past. It is the acronym equipment, developed by the Avionic Division of the Royal Aircraft Establishment, which translates digital data from a computer or unit into a train of light pulses. These are

carried, in light pipes, to their destination and retranslated into computer language there. In transit the signals create no radiation, nor are they affected by external conditions. Distances as much as 75 metres can be coped with and the system is already fully engineered.

In the electronics industry, high quality alumino-borosilicate glass is providing an excellent medium for the manufacture of integrated circuit photo-masks. Substrates can be provided with an excellent finish and high transmission factor for ultraviolet radiation to give very high resolution of the circuits in production. Now thermal expansion means that once the masks are aligned there is little fear that temperature gradients in the process area will alter the transmitted pattern to any great extent.

Where manufacture demands deposition of chromium and other hard metal films, such glass support layers are thought to be ideal. In a totally different area of industry, tiny glass beads known as ballottini are providing the solution to a number of otherwise intractable problems. For instance, they are employed as the projected medium in one range of surface finishing equipment which provides a beautiful and extremely regular matt finish on the treated metal. The beads do not stick to the extremely tacky surface of the newly-extruded rubber.

Tinted glass with excellent glare-rejecting and heat-barrier properties is now widely used by architects both to control heat loadings in large buildings and to provide novel aesthetic effects. Becoming much more widely used in optical work are the so-called photochromic glasses which have the remarkable property of becoming increasingly opaque as the intensity of the light falling on them rises. The process is com-

pletely reversible although it depends on the reaction to light of extremely small silver halide crystals precipitated in the glass—such crystals in photographic emulsions irreversibly produce an image when decomposed by light.

In photochromic glass, however, they darken very quickly and recover at different rates depending on composition and preliminary treatment.

Light transmission

Before darkening, such glasses can be as clear as window glass but afterwards, measurements made at Corning's laboratories show light transmittance can be as low as 1 per cent. Large-scale use of such glasses in the building industry will depend on how quickly the demand/manufacturing cycle builds up.

Another form of glass, an extremely pure form of silica, produced in slabs with an interconnected bubble structure, has remarkable acoustic damping properties which are making it particularly attractive where there are severe noise problems to be solved, according to Pittsburgh Corning.

Looking some ten years or so ahead with the communications experts, one of the most exciting applications for the light pipes mentioned earlier could be to carry many hundreds of TV programmes or hundreds of thousands of telephone conversations using rapidly modulated laser light as the message medium.

Already considerable progress has been made on developing the long, low-loss fibre bundles which would make this possible and a great deal of work has been done on methods of modulating a laser beam and interpreting the modulations to extract, simultaneously, pictures, computer data and speech. This may sound too futuristic to be true, but if communications continue to expand at the present explosive rate—five-fold expansion over 30 years—and have added to them picture-telephone and other services which demand heavy proportions of available channels then some revolutionary means of providing the necessary links must be developed soon.

this level for some time to come. But much of this money will go on modernising plant, not to increase capacity.

And at the moment the question the industry faces is: How is future demand going to go?

The current situation gives no guide because some customers must be hedging their bets and doubling up with their orders for glass containers. This means that when the peak of demand is past orders should come back pretty sharply.

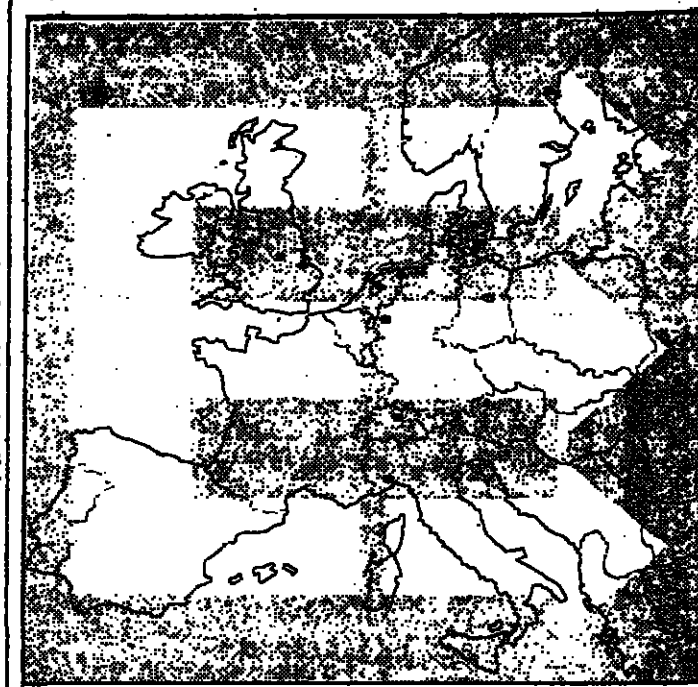
Future trends

Of the two major concerns, Rockware has told customers they can have all the containers they want, but that does not mean all the containers they want. A spokesman pointed out—while United Glass says it has had talks with all its customers now and agreed just what should be supplied up to the end of the year.

Of future trends, Rockware believes that the demand will continue to settle down at 3 to 4 per cent a year on top of 1973's 10 per cent jump but United Glass tends to feel that demand will fall back a little next year.

What all the glass container manufacturers are now hoping is that their customers will now understand the real need for accurate forecasting. The hope is that the container makers and the major customers can get together and do some joint work on this problem.

In the words of Mr. David Bailey, the Rockware director: "In an industry like ours we can cope with 2 to 3 per cent. But it is impossible to do anything when demand is 7 per cent above the previous forecast."



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It does BBA a lot of good when Versil gets the flue



The CEBG and the SSEB have recently completed several new solid-fuel and oil-fired power stations. They have tall multi-flue chimneys to maintain a high flue gas temperature and minimise local pollution. And the brick flues of most of these chimneys were insulated with mineral fibre to protect the linings against the corrosive action of condensation.

Versil, a BBA company, was asked to supply glass fibre mattresses for seven of the stations. In fact, it was nearly a clean sweep. So Versil weren't worried that one or two went to someone else for they produced 1.35 million square feet of insulating material. The Drax power station alone has the tallest multi-flue chimney in the world, which at 850 feet is 220 feet higher than the Post Office tower!

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GLASS IV

Licences boost export income

By DAVID CURRY

Exporting is a peripheral activity for the British glass industry as a whole. In the glass container field overseas sales and earnings are insignificant. For individual companies in the more specialised fields like optical glass and scientific instruments overseas sales are important but they figure in only a minor way in the overall turnover of the industry. For the flat glass sector overseas earnings are important, less in terms of direct exports, though these do take place, than in the field of royalty payments for the float glass process which accrue to Pilkington Brothers.

The export and import figures for 1973 illustrate the relative importance of the various sectors of the glass industry in the trade picture. Total exports of flat glass and glass products last year came to £15.2m. Of this float or plate glass contributed £9.4m. This may be compared with the fact that in the financial year ended March 31, 1973, licensing income from the float glass process contributed some £13.5m. to Pilkington profits of £38.25m.

Other contributors

Other contributors to exports in 1972 were optical glass (£1.5m.) and glass containers to the tune of £4.6m. Complete vacuum flasks were sold overseas to the value of £3.3m. while glass envelopes for electric lamps contributed £2.25m. and laboratory and pharmaceutical glass £4.7m. to the export total.

The comparison with imports is rather imprecise because the export total is quoted f.o.b. while imports are calculated on a c.i.f. basis. A more exact comparison would be obtained by inflating the British export totals by about 10 per cent.

On the import front flat glass was the most significant item making sales of £7.8m. while safety glass for motor vehicles and glass containers produced earnings of £2.6m. and £4m. respectively. In the domestic and ornamental glass area the U.K. imported some £3.3m. worth of stemmed glasses (£1m. exports) and some £2.2m. of tumblers and mugs (£814,000 exported).

However, the dominance of the domestic market in virtually all glass sectors except float glass is illustrated by comparing the amounts involved in trade with the total sales last year of flat glass and glass products by U.K. manufacturers of £81.6m. and overall sales of containers of £110m.

The relative importance of home and overseas markets was put very neatly by Mr. Peter

Parker, the chairman of Rockware, which, with United Glass, dominates the glass container field. He commented in the 1972 annual report: "We neither expect U.K. membership of the Common Market to pose immediate opportunities for exports, nor immediate threats to our home trade."

This year, in particular, the attention of glass manufacturers virtually world-wide has been focused on their home markets because of the critical shortages of packaging materials of which glass is one of the most important.

Budgeting for a 4 per cent increase in demand this year, British container manufacturers have been unable to cope with a 10 per cent increase in demand fuelled by an unprecedented market for soft drinks stimulated by the zero VAT rating on that product and the long, hot summer. Over the year sales of soft drinks have been up 12-15 per cent. and sales in one-trip bottles up 25 per cent. Cadbury-Schweppes, for example, will use some 1,200m. soft drink containers in the year. 85 per cent of them glass, of which 250m. will be non-returnable.

A. G. Barr, the Scottish-based soft drinks concern has placed a bottle order in Norway after searching as far afield as Poland and Czechoslovakia for supplies.

Ironically, the acute shortage comes at a time when glass manufacturers seem to have fought off the challenge of other packaging materials in the food and drinks field. Some food manufacturers have abandoned cans and other tinplate containers in favour of glass, including instant coffee and fruit juice processors. United Glass has also been campaigning hard to sell the idea of the "After-use" pack—a glass container which will be attractive enough for the housewife to keep and use again after the original contents have been dispensed with.

The shortages of containers were, which, with United Glass, are unlikely to make much difference to the balance between exports and imports. The lack of capacity is widespread and processors are finding it very difficult to find foreign suppliers of containers to compensate for the domestic shortfall.

However, while visible exports are relatively modest, the licensing of glass technology is becoming increasingly important, for containers, as well as flat glass. After all, no one wants to have to import a large number of containers "filled" with air when they can buy the technology to make them at home and save the costs of transporting a bulky and relatively lightweight material. Rockware has established an object of offering technical assistance and training services and has played a part in setting up a Glass Industry Training Centre in East Africa.

Main gainer

But in the licensing field Pilkington is the main gainer. More than 20 overseas manufacturers have licensed the float glass process and some 40 plants are already producing float glass world-wide. A further 15 are estimated to be in the planning and construction stage. Overseas earnings contributed £23m. to the £38.25m. profits for 1972 mentioned above. Canada alone has float glass capacity equal to half the U.K. total.

Overall the company notched up sales of £90m. for all its products in the U.K., £25m. from North America, £23m. in Australia, £13m. in Africa and £11.5m. in Europe.

Pilkington is establishing subsidiaries overseas sometimes with local shareholdings to manufacture float glass under licence from the parent. It is putting £12m. into a South African plant with its local subsidiary and is setting up in Scandinavia, hopefully with

local participation, to supply the motor industry and double glazing demand.

The company sees considerable sales potential in its Triplex Ten-Twenty windscreens—essentially a laminated windscreen made from glass already toughened and it recently notched up its largest direct export with an order for a Sydney office block for £50,000 of double glazing units.

It reckons that there is still plenty of room to grow in the float glass area which still accounts for only 40 per cent. of world flat glass output but which is certain to rise.

Glass is, of course, one of the great "invisible" exports in the sense that a great many glass containers sold on the home market have export goods put into them. However, the same logic that determines that containers themselves are better manufactured in the market-place than imported also applies to the manufacturers of soft drinks and beers who are big users of containers. British brewing companies are increasingly establishing their own brewing operations through acquisition, licensing or green-field investments overseas and they will be looking for local supplies of containers.

It is difficult to see, then, how overseas earnings will become a significant factor in the turnover of the glass

GRP finds many new applications

By HUGH COLVER

Glass has had its greatest impact on industry and on the consumer in recent years in its application as a fibre reinforcement for plastics. Glass reinforced plastic has found its way into a vast range of products and was the first of the composite materials to make big inroads into the markets of conventional materials.

The term "glass fibre" is somewhat misleading, although a popular name for GRP, in that glass fibre in a different form is insulation material, and this spreading area, again represents a growth area. GRP consists of a thermosetting resin reinforced with glass fibres. There are other forms of reinforced plastics but because of the very high tensile strength of glass filaments, glass fibre is the most common reinforcement.

The material has a relatively short history, being used first during the Second World War for aircraft radomes and the like. The real breakthrough came later when the Scott Bader company found ways to cure the resins in the cold. That was the key development that guaranteed tremendous growth for the material—a growth that is currently running at 18 per cent. a year. In the U.K. this involves the use of £10m. of GRP materials every year going into £100m. worth of products.

These products cover a wide field since GRP is a unique structural material that can be moulded into lightweight one-piece structures at low capital cost. GRP is also surprisingly strong and has good electrical, chemical and weathering properties.

Marine sector

The GRP boat hull is probably the most familiar application and indeed it is the marine sector that accounts for the largest single use of the material. However, since the days of the first GRP-hulled dinghies, the trend has been for the material to be used for larger and larger vessels. Naval vessels, trawlers and the like can now be found with GRP hulls.

In the marine sphere, the development of small boating has paralleled the growth of GRP and the main reason is that GRP offers lower production costs, improved resistance to damage, lower maintenance costs and ease of repair. In the marine environment it is also used for fuel and water tanks and various deck fittings.

Use of GRP for tanks in the marine sector gives a clue to the second most important application sector, the chemical plant field, where it has been found ideal for detergent and washing plants, condenser water boxes, fume stacks, brine plants, dyeing vats, sluices and weirs. There are also GRP pipes for chemical and hydraulics uses.

The trend towards GRP use in larger structures, which can be seen in both the marine and chemical sectors, is also now spreading into the building industry where GRP is long established as a roofing material. In roofing GRP can be produced translucent or opaque and architects have found the material's shape-versatility particularly interesting. So we find moulded rooflights, vents and domes in many different shapes. Aside from roofing, GRP is good for external and internal cladding using various "in-built" colours and surface textures.

Load-bearing

The load-bearing qualities of GRP have not yet been fully exploited in the building industry but complete houses have been made with it. This is an area in which much research is being done at present, particularly in the industrialised building sector.

Another fast growing application area is the motor industry, particularly in commercial vehicle body building where short production runs make GRP attractive. Most current buses and coaches contain GRP body panels, and lorry, tractor and crane cabs are frequently GRP moulded. In cars the economic advantages are not quite so obvious but it is clear that before long GRP use will spread in this area. Reliant and Lotus are among car manufacturers who have already proved that GRP has a place in this market.

In the aviation field, the original use, for radomes, continues but in such a high technology industry GRP has come a long way and some of its most advanced and specialist forms are found in this area. Apart from the general run of interior aircraft mouldings for such things as luggage racks, insulation panels and ducting, GRP is used for many airframe and external components.

Last but by no means least of the main application areas is the consumer durables field where GRP is used for a large

range of goods from washing machine tubs, through furniture, to swimming pools.

As has been mentioned, the breakthrough that gave glass reinforced plastics the importance they have to-day was the development of a component resin that can be cured at room temperature without any applied pressure. This method of contact moulding is still the most common way of forming a GRP product and the resin component is usually a polyester—hence the term GRP is also used to refer to glass reinforced polyester. Epoxide resins are used in certain applications.

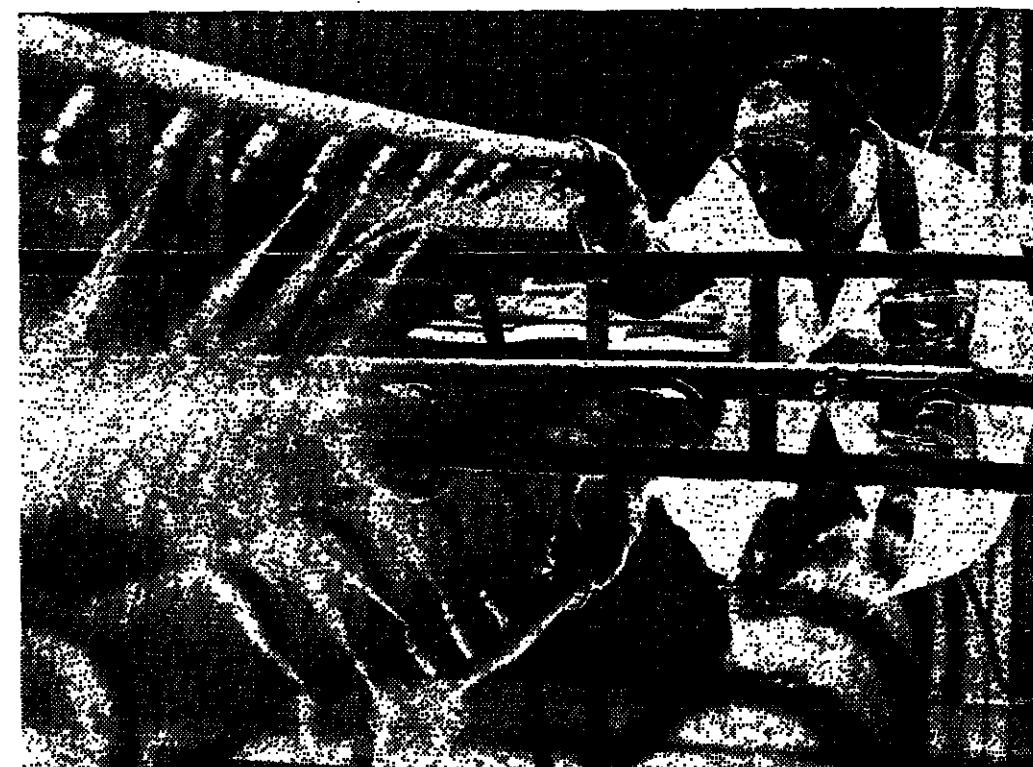
Press moulding is used for making smaller articles and in this method the component is moulded between metal dies using heat and pressure. This gives a particularly good surface finish and enables GRP products to be made to fine tolerances.

Any material that is making inroads into the markets of traditional materials is difficult to make forecasts about since a great deal depends not only on the development of the technology but on the relative price situations. Also, GRP is not the only plastics based material that is making the inroads—its progress has to be balanced against that of other forms of plastics which may in turn penetrate GRP markets.

Plastics prices

The NEDO Report on the Plastics Industry and its Prospects, published in 1972, is as valid a guide as can be found. That report commented that from 1963 to 1969 the prices of plastics remained constant while those of steel, for instance, rose by 23 per cent. It was not thought this kind of differential would continue and the report said that a critical factor would be price competitiveness, adding: "If price increases are no greater than for other materials the prospects will be there for big opportunities in new markets." The "if" is important.

If GRP continues to make inroads in the marine field, if plastics generally make a breakthrough in the car body market and if the use of GRP for structural work in building is widely adopted then this use of glass fibre as reinforcement for plastics represents a huge growth area. Nobody wants to stick his neck out, however, in view of the infinite number of unknown factors.



Continuous ribbon of float glass passes under water sprays at Pilkington plant at Cowley Hill, St. Helens. So far some £400m. has been invested world-wide in the Pilkington process, which has been licensed to 21 manufacturers in 12 countries.



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MONEY MARKET

Interest rates firmer

Bank of England Minimum Lending Rate 13% (since November 13, 1973) has been held steady at 13% since the last meeting of the Monetary Committee. The bank's decision to keep the rate unchanged was widely expected, as it was illustrated by the fact that the bank's press release stated that the rate would be held steady "in view of the fact that the rate of inflation has been falling since the last meeting of the Monetary Committee".

Rate	10-11	12-13	14-15	16-17	18-19	20-21	22-23	24-25	26-27	28-29	30-31	32-33	34-35	36-37	38-39	40-41	42-43	44-45	46-47	48-49	50-51	52-53	54-55	56-57	58-59	60-61	62-63	64-65	66-67	68-69	70-71	72-73	74-75	76-77	78-79	80-81	82-83	84-85	86-87	88-89	90-91	92-93	94-95	96-97	98-99	100-101	102-103	104-105	106-107	108-109	110-111	112-113	114-115	116-117	118-119	120-121	122-123	124-125	126-127	128-129	130-131	132-133	134-135	136-137	138-139	140-141	142-143	144-145	146-147	148-149	150-151	152-153	154-155	156-157	158-159	160-161	162-163	164-165	166-167	168-169	170-171	172-173	174-175	176-177	178-179	180-181	182-183	184-185	186-187	188-189	190-191	192-193	194-195	196-197	198-199	200-201	202-203	204-205	206-207	208-209	210-211	212-213	214-215	216-217	218-219	220-221	222-223	224-225	226-227	228-229	230-231	232-233	234-235	236-237	238-239	240-241	242-243	244-245	246-247	248-249	250-251	252-253	254-255	256-257	258-259	260-261	262-263	264-265	266-267	268-269	270-271	272-273	274-275	276-277	278-279	280-281	282-283	284-285	286-287	288-289	290-291	292-293	294-295	296-297	298-299	300-301	302-303	304-305	306-307	308-309	310-311	312-313	314-315	316-317	318-319	320-321	322-323	324-325	326-327	328-329	330-331	332-333	334-335	336-337	338-339	340-341	342-343	344-345	346-347	348-349	350-351	352-353	354-355	356-357	358-359	360-361	362-363	364-365	366-367	368-369	370-371	372-373	374-375	376-377	378-379	380-381	382-383	384-385	386-387	388-389	390-391	392-393	394-395	396-397	398-399	400-401	402-403	404-405	406-407	408-409	410-411	412-413	414-415	416-417	418-419	420-421	422-423	424-425	426-427	428-429	430-431	432-433	434-435	436-437	438-439	440-441	442-443	444-445	446-447	448-449	450-451	452-453	454-455	456-457	458-459	460-461	462-463	464-465	466-467	468-469	470-471	472-473	474-475	476-477	478-479	480-481	482-483	484-485	486-487	488-489	490-491	492-493	494-495	496-497	498-499	500-501	502-503	504-505	506-507	508-509	510-511	512-513	514-515	516-517	518-519	520-521	522-523	524-525	526-527	528-529	530-531	532-533	534-535	536-537	538-539	540-541	542-543	544-545	546-547	548-549	550-551	552-553	554-555	556-557	558-559	560-561	562-563	564-565	566-567	568-569	570-571	572-573	574-575	576-577	578-579	580-581	582-583	584-585	586-587	588-589	590-591	592-593	594-595	596-597	598-599	600-601	602-603	604-605	606-607	608-609	610-611	612-613	614-615	616-617	618-619	620-621	622-623	624-625	626-627	628-629	630-631	632-633	634-635	636-637	638-639	640-641	642-643	644-645	646-647	648-649	650-651	652-653	654-655	656-657	658-659	660-661	662-663	664-665	666-667	668-669	670-671	672-673	674-675	676-677	678-679	680-681	682-683	684-685	686-687	688-689	690-691	692-693	694-695	696-697	698-699	700-701	702-703	704-705	706-707	708-709	710-711	712-713	714-715	716-717	718-719	720-721	722-723	724-725	726-727	728-729	730-731	732-733	734-735	736-737	738-739	740-741	742-743	744-745	746-747	748-749	750-751	752-753	754-755	756-757	758-759	760-761	762-763	764-765	766-767	768-769	770-771	772-773	774-775	776-777	778-779	780-781	782-783	784-785	786-787	788-789	790-791	792-793	794-795	796-797	798-799	800-801	802-803	804-805	806-807	808-809	810-811	812-813	814-815	816-817	818-819	820-821	822-823	824-825	826-827	828-829	830-831	832-833	834-835	836-837	838-839	840-841	842-843	844-845	846-847	848-849	850-851	852-853	854-855	856-857	858-859	860-861	862-863	864-865	866-867	868-869	870-871	872-873	874-875	876-877	878-879	880-881	882-883	884-885	886-887	888-889	890-891	892-893	894-895	896-897	898-899	900-901	902-903	904-905	906-907	908-909	910-911	912-913	914-915	916-917	918-919	920-921	922-923	924-925	926-927	928-929	930-931	932-933	934-935	936-937	938-939	940-941	942-943	944-945	946-947	948-949	950-951	952-953	954-955	956-957	958-959	960-961	962-963	964-965	966-967	968-969	970-971	972-973	974-975	976-977	978-979	980-981	982-983	984-985	986-987	988-989	990-991	992-993	994-995	996-997	998-999	1000-1001	1002-1003	1004-1005	1006-1007	1008-1009	1010-1011	1012-1013	1014-1015	1016-1017	1018-1019	1020-1021	1022-1023	1024-1025	1026-1027	1028-1029	1030-1031	1032-1033	1034-1035	1036-1037	1038-1039	1040-1041	1042-1043	1044-1045	1046-1047	1048-1049	1050-1051	1052-1053	1054-1055	1056-1057	1058-1059	1060-1061	1062-1063	1064-1065	1066-1067	1068-1069	1070-1071	1072-1073	1074-1075	1076-1077	1078-1079	1080-1081	1082-1083	1084-1085	1086-1087	1088-1089	1090-1091	1092-1093	1094-1095	1096-1097	1098-1099	1100-1101	1102-1103	1104-1105	1106-1107	1108-1109	1110-1111	1112-1113	1114-1115	1116-1117	1118-1119	1120-1121	1122-1123	1124-1125	1126-1127	1128-1129	1130-1131	1132-1133	1134-1135	1136-1137	1138-1139	1140-1141	1142-1143	1144-1145	1146-1147	1148-1149	1150-1151	1152-1153	1154-1155	1156-1157	1158-1159	1160-1161	1162-1163	1164-1165	1166-1167	1168-1169	1170-1171	1172-1173	1174-1175	1176-1177	1178-1179	1180-1181	1182-1183	1184-1185	1186-1187	1188-1189	1190-1191	1192-1193	1194-1195	1196-1197	1198-1199	1200-1201	1202-1203	1204-1205	1206-1207	1208-1209	1210-1211	1212-1213	1214-1215	1216-1217	1218-1219	1220-1221	1222-1223	1224-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FT SHARE INFORMATION SERVICE[illegible]

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THE LEX COLUMN

CU absorbs its Australian problems

Commercial Union's third quarter figures take the uncertainty out of the share price. Australian underwriting losses for the year to June come out at £6.6m, against £1.7m, and that sort of figure has been visible for the past month or more. Unlike Royal, moreover, CU has still managed to emerge with a rise in pre-tax profits after nine months, up from £24.8m to £26.5m, after underwriting losses which are £2.5m higher at £6.4m. The upshot was a 4 1/2 share price gain to 156 1/2 yesterday.

Three-quarters of the Australian losses have been consolidated to date—and the underwriting downturn in the third quarter was only £3.6m. That gives a misleading idea of the quarterly pattern: a fair slice of the Australian loss was apparently included in the six months figures, and same applies to the Summerland disaster in the U.K., and the third quarter of 1972 took in some nasty fire experience in Western Europe. But a U.S. operating ratio of 98.8 per cent means that the deterioration there has been

Kwik Save

"Current supply problems in the grocery trade" are of especially direct relevance to a company like Kwik Save, based as it is on discounting national brands. Turning its stock over 23 or 24 times a year, across a limited range of lines, it does not have the scope for trimming back that some of the broader-based supermarketiers might see as an excuse for getting their money costs down (or money income up). With a 30 to 40 per cent physical expansion planned in food space this year, it needs all the stock it can get: the question is whether security of supply is a function of growth, or sheer size.

KS would argue the former. It sees the problem as acute, but one way or another it has been able to get most of what it wants. Its first point is that it can switch from brand to brand, and that a number of suppliers are interested in making a claim to shelf space now, with the view that KS will not forget this when supplies are generally easier. Size, it reckons, is more

of an advantage when supplies are easy, and the big groups can go for bigger trade discounts. At the moment, with transportation costs mounting, it sees its own, centrally warehouse type of operation as offering a distinct advantage to the supplier, who might have to make any number of "direct drops" to the stores of fellow customers. So this year's growth targets remain, and the market is not arguing with the shares at 142p on a net, fully taxed p/e of just under 20.

See Page 25

Godfrey Davis

Godfrey Davis is 14 per cent ahead pre-tax at £14.3m, though profits growth for the six months extends to more than a fifth if extra pensions costs are added back. Even so it is clear that GD has not had an easy time this summer. Profits last year rose by two-fifths on a comparable basis (and around a third in 1971-72) thanks to easy credit and a buoyant second car market, while this year it credit has been forthcoming it has not been cheap. Moreover slow supplies

of new vehicles have meant delaying the profitable process of fleet turnover. On the fast growing commercial side GD has apparently had an equally depressing time over supplies, and finally, last year's German acquisition—Severin, purchased for just under £1m—has been hit by airport strikes and turned into the red as a result.

This half, vehicle supplies are trickling through that bit faster while the U.K. hire fleet—up a tenth in unit numbers so far this year—continues to move well. But the current oil situation is an obvious impediment for a net p/e of under 8 on earnings for the past reported 12-months. What fuel shortages may eventually mean to motoring patterns generally is something the market is plainly not finding easy to assess, with GD down 6p to 75p last night.

See Page 25

Brooke Bond

The proposed compensation to Brooke Bond Liebig's "A" shareholders (accounting for 43 per cent of the equity but 33 per cent of the votes) for los-

ing their voting privileges is a one for ten scrip in Ordinary. In fact the "A"s have been fetching more than double the "B" price recently, but that apparently reflects a largely nominal market. Most of the "A"s are held by the Brooke family.

The official explanation for the move concentrates on the need to be able to grow through share issues, though in any case a fully diluted p/e of say 8 1/2 at 51p for the "B"s would seem to pose problems in that direction. Other minds may dwell instead on the way takeover prospects for BSL itself are being expanded—though the lessening involvement in management of the Brooke family may be as relevant here as the actual vote equalisation moves. Otherwise the report offers no new support for the rating, revealing lower net contributions from the U.K., the Continent and North America, and although a better return is projected in the U.K. this year the group remains heavily dependent on high-risk areas.

See Page 26

Lombard
Need for
global-
type
'Euroco'

BY C. GORDON TETHER

IT IS fashionable to discuss the value of monetary union in denominated in a range of European currencies, such as Rothschild's "Euroco", primarily in terms of the part they can play in promoting the economic and financial integration of the Common Market. There is, of course, no reason why they should not be used to serve that cause. But it makes much more sense at this stage to regard them as a form of currency index-linking pure and simple—whose aim is to minimise the disruptive and inhibiting effects of international monetary turmoil on world trade and financial traffic.

For, starting from this standpoint, it will be possible to get the best unit or units for the job. And the fact is that those based wholly on European currencies are not going to answer to this description for the great bulk of world traffic.

Time was when a trader could arrange his business in one or other of the two main international currencies—or any other one of substance for that matter—without running the risk of losing a great deal of sleep on that account. After all, until the Americans finally torpedoed the Bretton Woods system in 1971, the 1967 unit in value of the £ was the only really appreciable change that had occurred in first league exchange patterns in 22 years.

Great damage

Needless to say, things are very different today. And there are no really solid reasons for thinking that they are going to get any better. The world currency map has been twice redrawn over the past two years and yet another major reconstruction now appears to be getting under way.

Because global inflation and growth madness have, between them, created an atmosphere in which for the moment almost anything goes, the extent to which the flow of desirable trade and financial activity is liable to be basically disrupted by currency uncertainties has not so far attracted much attention. But there can be no doubt that, in the end, these forces are going to inflict at least some measure of damage—unless that is, ways can be found of providing the business community with adequate and inexpensive methods of protecting itself against them.

This is the great virtue of arrangements that make it possible to express contracts in units denominated in a basket of currencies rather than in a single one. For this must reduce the degree to which the parties will be inconvenienced or penalised by subsequent unforeseeable changes in exchange rate patterns.

But there is, of course, plenty of scope for differences of view as to what will make the most appropriate group of currencies or other yardstick to perform this index-linking function. And, in this sense, the tendency for experimentation to get caught up in such other currencies as the promotion of European monetary integration will not be helpful.

The choice

Where purely inter-European traffic is involved, there may, of course, be a strong case for employing a yardstick based only on European currencies. But where international traffic as a whole is concerned, the arguments for using an index which will not be EEC-oriented will have a much wider appeal and are obviously impressive.

It is quite conceivable that the behaviour of Community currencies as a group will be radically different from that of other major currencies in the years ahead. And those engaged in international trade with—and in other parts of the world would, therefore, be happier with a more impartial form of index-linking.

The Arab oil-producers have been toying with the idea of insisting on the use of gold-related unit for their trade with the outside world. But as the metal has become so vulnerable to political manipulation, it is hardly practicable to proceed on these lines at all. Similarly, a unit denominated in a basket of commodities is likely to be seen as altogether too way-out and hazardous.

Indeed, at this stage the best all-purpose unit would undoubtedly be one based on a basket of all the advanced countries' currencies. And it is, therefore, to be hoped that the international banking community will give more of a nod to its thinking about creating and popularising suitable vehicles if and when EEC monetary integration assumes a really meaningful character, a Euro-oriented unit may be helpful. In the meantime, a global one would be a much better and even to traffic within Europe.

Talks may herald peace moves in the coalfields

BY JOHN ELLIOTT, LABOUR EDITOR

LEADERS of the National Union of Mineworkers meet to-morrow to decide whether to initiate moves which could lead to the industrial action in the coalfields being called. This follows talks yesterday with the National Coal Board.

After the meeting, during which the 280,000 miners' pay offer was re-arranged and fringe benefits decided it appeared that the chance of peace moves starting were higher than at any time since the current pay dispute began.

When the NUM's 37-man national executive meets to decide on the next moves to-morrow morning, it is clear that there will be sharp divisions on whether or not the time has come to order a pay ballot of the miners, leading to a settlement. The vote on what action to take could be extremely close.

During talks over the past few days between the NCB and NUM, the miners' basic pay offer has been re-arranged to compensate those who will not benefit

by the substantial "unsocial hours" payments allowed under the Government's Stage Three Pay Code.

Broadly this will mean raising the total increases for those who had been offered under £3 a week at the expense of those offered more than £8, so that total increases, apart from holiday pay, now range from £2.90 to £8.30 instead of £2.30 to £3.37.

In addition, death-at-work benefits have been improved and the lump sum paid to miners retiring at 65 has been raised from £300 to £500. Improved sick pay is expected later next year.

The two sides have also completed details of a nationally-based productivity scheme which can, under Stage Three, yield increases of 3 1/2 per cent.

With these provisions, the NCB has gone as far as it can within Stage Three Code in the hope that the overall package will be sufficient to swing the executive.

At the same time, the NCB voltage reductions.

has taken expected tough action against the miners by refusing to pay, from yesterday, those men laid-off as a result of their industrial action delaying the completion of safety work.

The miners' overtime ban had produced a worsening effect on coal production yesterday because of week-end safety work not being completed.

About 70,000 tons were lost in Scotland, and production at all pits in Yorkshire was delayed for up to four hours. In South Wales, two pits did not open yesterday morning while in the north-west production was severely curtailed with the loss being put at 30,000 tons roughly equal to the total loss all last week.

Meanwhile, the electrical power engineers' ban on stand-by duties is continuing and the employers are to meet union leaders to-day. Yesterday the Central Electricity Generating Board reported that it had managed to avoid power cuts or voltage reductions.

Even without this, however, it is expected that Mr. Faulkner will secure a majority, though the result may be very close. At a meeting of the smaller standing committee last month Mr. Faulkner was able to win only a very narrow majority in favour of power sharing, but his opponents will be faced to-morrow, as then, with the problem that they have no real alternative to offer.

In addition to the Ulster Unionist Council meeting another spectre has been hanging over to-day's talks—the widely-held assumption in Northern Ireland that Mr. Whitelaw is on the point of being recalled to London to a new post to assist the Prime Minister in implementing Stage Three of the prices and incomes legislation.

Some evidence indicates that on the SDLP and Alliance side there is a feeling that the parties are being pushed into an agreement to meet domestic British considerations. Reluctance to do this may account for the apparent slowness of to-day's discussions.

Lengthy Ulster executive talks

BY RHYS DAVID

BELFAST, Nov. 19.

INTER-PARTY talks on forming an executive in Northern Ireland were adjourned to-night after a lengthy session and will be resumed on Wednesday.

It had been hoped that some kind of agreement might emerge from the talks on the basis of a package presented by Mr. William Whitelaw, Secretary of State, outlining action the British Government proposed to take on the controversial questions of the police, detention and the Council of Ireland.

These issues are likely to be mulled over again, however, at talks Mr. Whitelaw is to have separately with leaders of the Alliance and the Social Democratic and Labour Party to-morrow and possibly also with the Unionists prior to Wednesday's full-scale joint talks.

No statement was issued after to-day's meeting, which went on until late in the evening, but it is thought the package presented by Mr. Whitelaw contained proposals for the Unionists to be allowed the majority they have claimed on

the executive. The proposals put forward by the Government would appear to envisage the Unionists holding six seats, the SDLP four and Alliance one, with Mr. Brian Faulkner, the Unionist leader, as chief executive and Mr. Gerry Fitt, the SDLP leader, as deputy.

The decision to adjourn the talks means that Mr. Faulkner will be able to report further progress in forming a new Administration only when he addresses a crucial meeting of the Ulster Unionist Council here to-morrow. He will, however, be able to point out that his demand for a Unionist majority looks like being accepted.

The Council is to debate a motion put forward by the unofficial Unionist group opposing the whole concept of power sharing, and one reason for the urgency shown in the past week is thought to have been the belief that Mr. Faulkner would be helped by a decision in principle by all the parties to go ahead with forming an executive.

Even without this, however, it is expected that Mr. Faulkner will secure a majority, though the result may be very close. At a meeting of the smaller standing committee last month Mr. Faulkner was able to win only a very narrow majority in favour of power sharing, but his opponents will be faced to-morrow, as then, with the problem that they have no real alternative to offer.

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Some evidence indicates that on the SDLP and Alliance side there is a feeling that the parties are being pushed into an agreement to meet domestic British considerations. Reluctance to do this may account for the apparent slowness of to-day's discussions.

Rapid rise in money supply, loans

BY MICHAEL BLANDEN

A FURTHER sharp rise in the money supply and bank lending during the month to mid-October provides the background to last week's "crisis" measures to restrain the rate of monetary expansion.

The figures released yesterday by the Bank of England suggest that the previous pattern has continued, with the narrow definition of money supply (M1) showing only modest growth, but with the wider definition (M3), which takes in deposit accounts with the banks, still rising rapidly.

The changes in money stock have yet again been confused by a number of special short-term influences, including the impact of VAT payments during the month and the renewal of arbitrage operations as a result of the high level of interest rates in the money markets.

Overall, the figures indicate that M3 has risen by 6 1/2 per cent over the latest three months, equivalent to an annual rate of some 26 per cent. This rate of growth, which may slightly understate the actual increase, was one of the reasons for last week's measures to force interest rates up further through the announcement of a 1 1/2 per cent Bank of England minimum lending rate, and to restrain bank lending through the extra 2 per cent call of special deposits.

The Bank of England also confirms the impression given by the earlier statistics of the London clearing bank that bank lending showed a sharp acceleration over the period. Total lending to the U.K. rose in sterling by £867m. during the month,

equivalent to £867m. after seasonal adjustment, the biggest increase since the records started over two years ago.

Against this, however, there has been some indication from the banks that since mid-October there has been a marked slowing down in the growth of bank lending, partly as a result of the unwinding of earlier money market transactions by bank customers.

This suggests that when the banks make up their November figures to-morrow they may show a slackening in the monetary expansion.

Over the four weeks to mid-October, the Bank reports, M1 rose by £133m, or about 2.5m (1 per cent), after normal seasonal adjustment. This compared with a fall of 2 per cent in the previous month. The wider definition of money stock (M3), however, showed an increase of £73m, or about 2.6m (1 1/2 per cent), after normal seasonal adjustment, against a 2 1/2 per cent rise in the previous month.

The exceptionally large trans-

fers of VAT to the Exchequer during the month have not been allowed for in the seasonal adjustments.

This will have tended to depress the rise in bank deposits in October, and the true underlying increase in M3, the Bank suggests, may have been nearer the 2 1/2 per cent recorded in each of the previous two months.

The VAT effect has also probably led the adjusted figures of bank lending to be somewhat overstated.

This in turn suggests that the 6 1/2 per cent rise in M3 in the past three months might be nearer 7 1/2 per cent (or some 30 per cent a year) in normal circumstances.

Against this, however, the Bank points out that the lending figures and both measures of the money stock have again been influenced by the interest rate developments. High rates have tended to reduce the growth of M1 by encouraging the transfer of funds out of current accounts into deposit accounts.

MONEY STOCK

(Seasonally adjusted totals and percentage monthly changes in 1973)

	M1	% change	M3	% change
Jan. 17	11,760	-0.7	25,410	+2.2
Feb. 21	11,839	+0.6	26,390	+3.1
March 21	11,920	+0.6	26,790	+1.5
April 18	12,200	+2.3	27,050	+1.2
May 16	12,240	+0.3	27,180	+0.5
June 20	12,370	+1.1	27,670	+2.5
July 18	12,440	+0.5	28,960	+4.7
Aug. 15	12,620	+1.5	29,480	+1.8
Sept. 17	12,360	-2.1	30,400	+3.0
Oct. 17	12,300	-0.5	30,870	+1.5

Figures include types and coins in circulation plus bank current accounts. M1 includes M1 plus other items, the main one being bank deposit accounts. Source: Bank of England.

Economy:
Heath's
'hard choice'

By John Bourne, Lobby Editor

MR. EDWARD HEATH, the Prime Minister, yesterday restated the Opposition's case for a change in the Government's policy of sustained expansion of the economy with an orderly increase in wages, and "a return to deflation, stagnation and unemployment."

His speech covered most of the Government's arguments in defence of its current economic policies, and will probably read better in Hansard than it sounded to Conservative MPs.

Several senior Tories said afterwards that Mr. Heath's most inspired efforts of oratory.

Mr. Heath's thesis was that all the opportunities for a great increase in exports were present—a keen competitive edge, industrial investment, and resources (£982m. of our imports in the last three months had been industrial raw materials, fuel and machinery).

They must be seized by employers and unions. Only this could the country break through the vicious "stop-go" cycle which bedevilled Britain for so long.

Some pointed out afterwards that much of his speech was irrelevant to Labour's solutions to the problems facing the country, and that, for example, he had concentrated too much on the Government's "broken pledges" after the 1970 election.

Mr. Wilson devoted only a few moments to Labour's solutions to a new, a hastily scrambled passage in which he referred to proposals to tax property speculators "penally," control food prices and bank lending, cut back inessential public expenditure, renegotiate Common Market entry terms and remove tax concessions for the "better off" made in the last Budget. He ended with a ritual demand for the Government's resignation.

Parliament, Page 12

Continued from Page 1

Oil supply
crisis

Despite the exemption of the EEC from the most recent round of 5 per cent cuts in Arab production, the producers, and most important Saudi Arabia, have made it clear their determination to keep up the pressure on the world's oil until full and satisfactory settlement is reached on the Arab-Israeli question.

The further cuts are having a severe effect on Japan in particular, while the U.S. and Holland remain totally embargoed by the Arab producers. The economic growth of both Japan and the U.S. is now being seriously affected and—even if Europe were to suffer no further—the economic impact on these countries would be bound to involve the U.K. and the EEC as well.

At the same time, the major producing countries of the Organisation of Petroleum Exporting Countries (OPEC) have also torn up the previous price agreements with the industry and sent crude oil costs into what many fear is an irreversible spiral.

As the major consuming countries of the world meet in the OECD to-day, it will be with a mixture of specific pleas for help by some countries like Holland and Japan and an equal reluctance to enter co-operation on the part of other countries like France.

The long-term implication of recent events on future supplies and fuel costs can hardly be over-emphasised and, as British policy recognises, these can only be solved in common with other consumers.

Prices up faster
than wages

BY WILLIAM KEEGAN, ECONOMICS CORRESPONDENT

PRICES WERE rising faster than wages in the U.K. during the closing months of Stage Two of the Government counter-inflationary policy, according to statistics released yesterday.

Following last Friday's news that the retail prices index went up by 2.85 per cent between August and October it is now known that over the same two-month period wage rates rose by less than 0.5 per cent and earnings by 1.5 per cent.

The official figures show that, by comparison with the position 12 months earlier, both wage rates and earnings growth have continued to slow down in recent months.

Between September and October the index of basic weekly wage rates rose 0.3 per cent to 119.8 (July last year=100), at which point it was 11.5 per cent above the level of October, 1972.

The annual comparison, reflecting the effect of the counter-inflation policy in its early stages, has been edging downwards each month since June, when it was 15.9 per cent above the level of a year earlier.

Similarly, average earnings—which take into account overtime and other payments above basic rates—were 13.1 per cent higher in September than a year earlier, compared with 14.9 per cent the month before and 15.8 per cent in July. The index rose from 154.0 to 156.3 between August and September (January, 1970=100).

The only sizeable influence on the wage rates index in October was exerted by increases for workers in the road haulage contracting industry, and the September earnings figure reflected the working through of the engineering settlement.

At the same time the increase in output has been much slower in the past year or so than in the previous 12 months, as the economy has neared its capacity limits.

Thus, although full figures are not yet available, there is every sign that the growth of real incomes has been much slower in the past year. Whereas the increase between the fourth quarters of 1971 and 1972 was nearly 7 1/2 per cent, the rise between the fourth quarter of 1972 and the fourth quarter of 1973 may be less than a third of this.

These are average estimates. During this time some categories of people have suffered a decline in their real income.

At the same time, the major producing countries of the Organisation of Petroleum Exporting Countries (OPEC) have also torn up the previous price agreements with the industry and sent crude oil costs into what many fear is an irreversible spiral.

As the major consuming countries of the world meet in the OECD to-day, it will be with a mixture of specific pleas for help by some countries like Holland and Japan and an equal reluctance to enter co-operation on the part of other countries like France.

The long-term implication of recent events on future supplies and fuel costs can hardly be over-emphasised and, as British policy recognises, these can only be solved in common with other consumers.

for stainless

steel

HE samsco

colnbrook 313

Weather

U.K. TO-DAY

MAINLY DRY and rather with frost early and Showers in East and North. London, S.E., Cent. S. and E. England, Channel Is. W. Mainly dry, sunny periods. Wind N. to S.E. light. Max. 45°F.

Midlands, N.W. and Cent. England, Lakes, I. of W. Mainly dry, sunny periods. Wind N. to S. light. Max. 45°F.

S.W. Scotland, Glasgow, Highlands, Argyll, N. Ireland. Dry, sunny periods. Wind N. to S. light. Max. 45°F.

E. Anglia, E. England. Sunny periods, in showers. Wind N. to W. N. light. Max. 60 (43°F).

N.E. England, Borders, North and E. Scotland, Aber. Mostly fine. Bright periods, occasional showers. Wind variable. Light. Max. 50 (41°F).

Gallicies, N.W. Scotland. Mostly fine. Bright periods, occasional showers. Wind variable. Light. Max. 50 (41°F).

Outlook: Dry in most overnight fog.

Lighting-up: London Manchester 16.35, Glasgow Belfast 16.46.

BUSINESS CENTRES

City	Index	City	Index
Amsterdam	158.40	Madrid	158.40
Antwerp	158.40	Manila	158.40
Bombay	158.40	Mexico	158.40
Buenos Aires	158.40	Paris	158.40
Canton	158.40	Rome	158.40
Calcutta	158.40	Sao Paulo	158.40
Cebu	158.40	Stockholm	158.40
Hankow	158.40	Switzerland	158.40
Hong Kong	158.40	Tokyo	158.40
Kobe	158.40	Yokohama	158.40
London	158.40		
Lyons	158.40		
Manila	158.40		
Medan	158.40		
Shanghai	158.40		
Singapore	158.40		
Sourabaya	158.40		
Tientsin	158.40		
Yokohama	158.40		

HOLIDAY RESORTS

	Yrday		
	mid-day		
	°C	°F	
Ajaccio	F	18	64 Jersey
Algiers	S	20	68 Las Piznas
Barcelona	S	15	59 Locarno
Biarritz	S	17	63 Majorca
Blackpool	F	8	46 Malaga
Bordeaux	S	14	57 Malta
Boulogne	C	17	64 Madrobi
Casablanca	C	22	72 Naples
Cape Ta.	S	28	82 Nassau